

**STATE OF NEW HAMPSHIRE  
BUREAU OF SECURITIES REGULATION  
DEPARTMENT OF STATE  
CONCORD, NEW HAMPSHIRE**

**IN THE MATTER OF:**

**LPL Financial LLC**

**Respondent**

**INV2020-00026**

**CONSENT AGREEMENT**

I. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, LPL Financial, LLC (hereinafter referred to as "LPL" or "Respondent"), has submitted this offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as "the Bureau") has determined to accept. LPL does hereby consent to the following findings, conclusions, undertakings and sanctions:

**THE FACTS**

1. LPL is a broker-dealer located at 1055 LPL Way, Fort Mill, South Carolina 29715. LPL's CRD number is 6413 and SEC number is 8-17668. LPL has been a licensed broker-dealer in New Hampshire since 2/2/1983.
2. This matter arose from an audit conducted by the Bureau on March 14 and April 16, 2019. A finding of the audit is that LPL failed to have adequate signage at a Salem Five Cent Savings Bank (hereinafter "SFCSB") location at One Liberty Lane East, Hampton, New Hampshire 03842. LPL has an agreement with SFCSB to provide securities brokerage and advisory services through LPL at that location and others. There is one registered LPL agent at that location and no teller or retail banking services offered by SFCSB. Bank products are sold at other SFCSB branch offices located in the Commonwealth of Massachusetts. The signage violation noted in the exam was that the LPL branch office was contained in a building with multiple office suites of other businesses, but on the outside of the LPL office suite the signage did not mention LPL was located there. It mentioned SFCSB only. LPL had inadequately identified for customers that at that branch location the two businesses were being carried on namely LPL and the investment arm of SFCSB called Salem Five Financial Services (now known as Salem Five Investment Services). This deficiency has since been corrected.

3. The above stated conduct is not in compliance with FINRA Rule 3160 and New Hampshire RSA 421-B:4-401(f)(2)(A) and (2)(B).

### THE LAW

1. LPL is a “broker-dealer” within the meaning of RSA 421-B:1-102(6).
2. Pursuant to RSA 421-B:4-401(f)(2)(A) and (B), it is prohibited for any branch office or agent of a broker-dealer to conduct a securities business in this state under any name other than that of the broker-dealer with which the broker-dealer is associated or agent is registered and if more than one business enterprise is conducted from a branch office location disclosures shall clearly set forth the name of each business establishment. LPL is in violation of this section.
3. Pursuant to FINRA Rule 3160 a member that conducts broker-dealer services on the premises of a financial institution shall be clearly identified as the person providing broker-dealer services and shall distinguish its broker-dealer services from services of the financial institution. LPL is subject to this rule.
4. Pursuant to RSA 421-B:6-604(g), the secretary of state can assess costs of the investigation. LPL is subject to this section.
5. The Bureau can assess audit fees.

II. In view of the foregoing, the Respondent agrees to the following undertakings and sanctions:

1. Respondent agrees that that they have voluntarily consented to the entry of this Consent Agreement and represents and avers that no employee or representative of the Bureau has made any promise, representation or threat to induce their execution.
2. It is the intent of the Bureau that this Agreement not be reported on CRD.
3. Respondent agrees to waive their right to an administrative hearing and any appeal therein under this chapter.
4. Upon execution of this Consent Agreement by Respondent, Respondent agrees to pay costs in the amount of ten thousand dollars (\$10,000) to the State of New Hampshire. Payment shall be made by 1) United States

postal money order, certified check, bank cashier's check, or bank money order; 2) made payable to the State of New Hampshire; and 3) hand-delivered or mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.

5. Upon execution of this Consent Agreement by Respondent, Respondent agrees to pay the cost of the audit in the amount of three-hundred seven dollars and forty-seven cents (\$307.47) as stated in number 5 above
6. The Respondent agrees to cease and desist from violations of RSA 421-B:4-401(f)(2)(A) and (B).
7. Respondent agrees that this Consent Agreement is entered into for purpose of resolving only the matter and issues as described herein and no other issues pending before the State of New Hampshire. This Consent Agreement shall have no collateral estoppel, res judicata, evidentiary, or other legal effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Consent Agreement shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct unrelated to this complaint.
8. The Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this Consent Agreement or create the impression that the Consent Agreement is without factual basis. Nothing in this provision affects the Respondent's testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.
9. Should Respondent violate this Consent Agreement, the Bureau may rescind the Consent Agreement without a hearing and institute formal enforcement proceedings under RSA 421-B.
10. This Consent Agreement is not intended to be a final order based upon violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct. Furthermore, the Consent Agreement waives any disqualifications in the New Hampshire laws, or rule or regulations hereunder, including any disqualification from relying upon the registration exemptions or safe harbor provisions to which Respondent or any of its affiliates may be subject. This Consent Agreement is not intended to be the basis of any disqualifications under Section 3(a)(39) of the Securities Exchange Act of 1934 or Regulation A and Rules 504 and 506 of the Regulation D under the Securities Act of 1933 and Rule 503 of Regulation CF. This Consent Agreement is not intended to form the basis of disqualification under the FINRA rules prohibiting continuance in membership absent the filing of a MC-400A application or disqualification under the SRO rules prohibiting continuance in

membership. This Consent Agreement is not intended to form the basis of a disqualification under Section 204(a)(2) of the Uniform Securities Act of 1956 or Section 412( d) of the Uniform Securities Act of 2002.

Based on the foregoing, Respondent and the Bureau agree to the following:

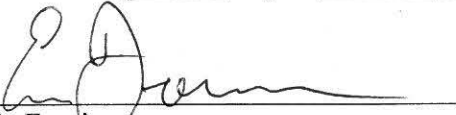
1. Respondent shall pay costs in the amount of ten thousand dollars (\$10,000) as stated above.
2. Respondent shall pay audit fees of three-hundred and seven dollars and forty-seven cents (\$307.47) as stated above.
3. Respondent agrees to cease and desist from violating RSA 421-B:4-401(f)(2)(A) and (B).
4. Respondent shall comply with all undertakings.

DocuSigned by:  
Executed this 19 day of October, 2022.  
*Pete Dorsey*  
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on behalf of LPL  
Please print name below:

Pete Dorsey, EVP Relationship Management

Entered this 19<sup>th</sup> day of October, 2022.

  
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Eric Forcier  
Deputy Secretary