

LPL Financial & Affiliate Business Continuation Plan Summary

LPL Financial¹ and our affiliates are committed to providing timely service to our clients. We recognize the importance of preparing for various disaster scenarios that could hamper our ability to provide service. We have taken aggressive steps to provide for business contingency and continuity planning under a variety of potential scenarios. We continue to evaluate our continuity plans and take the necessary actions to ensure the proper resources are available to provide for the recovery and timely resumption of critical business operations to internal business units, third-party business partners and clients.

LPL Financial Business Continuation Strategy Headquarters and Staff

LPL Financial has headquarters and operations staff located in three principal locations: Boston, Fort Mill (SC) and San Diego. The San Diego office serves as the primary site for our executive office, with Boston serving as the primary site for Legal, and Fort Mill the primary site for Research. These units, while vital to the company on a continuing basis, are not considered mission-critical for the daily back-office operation of our business. In the event of a disaster that would make the Boston office unserviceable, the San Diego and Fort Mill offices are the alternative facilities.

Mission-Critical Departments

Both the Fort Mill and San Diego offices serve as primary locations for our mission-critical departments, including: Operations, Trade Execution and Processing, and the Service Center. Each office serves as the backup for the other. There are documented and tested plans in place to provide for a fail-over between the two sites.

The LPL Financial Production Data Center is located in Charlotte, NC. The alternate Data Center is located in Dallas-Fort Worth, Texas.

- The Production Data Center facility is located approximately fifteen miles from the Fort Mill office location.
- The Production Data Center infrastructure is fully redundant in terms of power, network and equipment.
- Each of our office locations also has fully redundant networking and telecommunications systems.
- There is redundant connectivity across Boston, Fort Mill and San Diego.

The LPL Financial brokerage-computing platform is operated in another geographical region of the United States by an unaffiliated third-party vendor. None of the scenarios presented in this document would pose a threat of business disruption to this remote site. The third party has a complete business continuity plan that includes alternative sites and recovery times within four hours.

¹ LPL Financial acts as the principal sponsor, an investment adviser, and the broker/dealer for AXA Advisors, LLC. Additionally, LPL Financial serves as an investment adviser for the LPL Financial investment advisory products solicited by AXA Advisors' investment adviser representatives, including underlying mutual funds in LPL Financial advisory accounts. For brokerage accounts, AXA Advisors, LLC, the introducing broker/dealer, has a fully disclosed clearing agreement with LPL Financial.

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Business Scenario Preparedness Single Building Disruption

If LPL Financial loses the ability to perform business in one of our buildings, recovery staff associated with mission-critical functions will begin processing at our alternate processing site (Boston, Fort Mill, or San Diego, depending on the impacted department). We have plans in place for this recovery, and these plans are tested periodically. Recovery Time Objectives (RTOs) vary based on the criticality of the function that is disrupted.

Regional Disruption

If LPL Financial loses the ability to perform business at either the Fort Mill or San Diego location, mission critical San Diego functions would be failed over to our Fort Mill office and vice versa. Staff associated with non-mission critical functions will be relocated to an alternative site (e.g., hotel, home) in an unaffected area. We have plans in place for this recovery and they are tested periodically. RTOs vary based on the criticality of each function.

Remote Data Center Disruption

If LPL Financial loses the ability to perform business in our Production Data Center in Charlotte, mission critical systems will be recovered to our Dallas, Fort Worth Data Center. We have plans in place for this recovery and they are tested periodically. Mission critical systems recovery is expected within four hours.

Pandemic Event

LPL Financial has plans in place to continue business during a pandemic event. Our plan is a multi-tiered action plan based on the World Health Organization (WHO) alert phases with triggering events for each phase. As the threat of a pandemic becomes greater and a new phase is triggered, we will assess our plans and determine the appropriate course of action.

Access to Your Funds

A site outage should not impact our customers ability to access to their available funds, as LPL Financial business contingency plans are designed to ensure sustained service. However, their ability to trade securities may be impacted by market events outside the control of LPL Financial, such as when the market was closed following the September 11 tragedy. Our tested business continuity plans result in necessary personnel being available to approve transactions that result in the disbursement of available funds. In the event that your LPL Financial advisor ceases operations due to a significant business interruption, you may call (800) 877-7210 for emergency assistance.

Conclusion

Please be aware that, while we have detailed plans in place, we cannot guarantee that we will be successful in achieving recovery in the times noted above. For example, we may not be able to implement a plan during a disaster as quickly as we expect, or there may be disasters that we have been unable to anticipate and for which we have no plan. Additionally, if parts of our plan are dependent upon third parties, we will have no control over the success or failure of the third party to respond appropriately to the challenges posed at the time of the disaster. Our community plans are periodically updated and modified. Updated plan summaries will be made available on our website (www.lpl.com) and can be obtained by submitting a written request.