

Stearns Esther M
Form 4
March 23, 2009

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Stearns Esther M

2. Issuer Name **and** Ticker or Trading
Symbol
LPL Investment Holdings Inc.
[NONE]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O LPL INVESTMENT
HOLDINGS INC., ONE BEACON
STREET, FLOOR 22

3. Date of Earliest Transaction
(Month/Day/Year)
12/08/2008

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
President and COO

(Street)
BOSTON, MA 02108

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/08/2008		M	500 A	\$ 1.07	500	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Se (Instr. 3 and 4)
				Code V (A) (D)		Date Exercisable Expiration Date Date	Title
Employee Stock Option (right to buy)	\$ 1.07	12/08/2008		M	500	12/14/2004 12/14/2009	Common Stock
Stock Options ⁽¹⁾	\$ 1.07	12/31/2008		J ⁽¹⁾	667,510	12/14/2004 12/14/2009	Common Stock
Restricted Stock Units ⁽¹⁾	⁽²⁾	12/31/2008		J ⁽¹⁾	627,918	⁽³⁾ ⁽³⁾	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Stearns Esther M C/O LPL INVESTMENT HOLDINGS INC. ONE BEACON STREET, FLOOR 22 BOSTON, MA 02108	President and COO

Signatures

/s/ Chad Perry, Power of
Attorney 03/23/2009

 **Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- The 2008 Deferred Compensation Plan allowed employees of the Issuer and its subsidiaries that held existing stock options issued under the 1999 Option Plans that would expire in 2009 or 2010 to re-classify their holdings as restricted stock units that are paid out at a later
- (1) date in the form of shares of Issuer's common stock. Participating employees were awarded that number of stock units that is equal to the aggregate fair market value of the shares subject to the option at December 31, 2008 less the aggregate strike price of the options and divided by the price per share of the Issuer's stock at December 31, 2008.
- (2) Each stock unit is a bookkeeping entry of which one stock unit is the economic equivalent of one share of Issuer's common stock.
- Restricted Stock Units are fully vested, except that accounts are forfeited if the holder is terminated for cause. Distribution of units occurs at the earliest to occur of death, disability, change in control (as defined in the 2008 Deferred Compensation Plan) or a date in 2012 to be
- (3) determined by the Issuer. Settlement is made within 90 days of the distribution event (or, with respect to the settlement in 2012, by the end of the calendar year).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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