

Dwyer William E III
 Form 4
 March 23, 2009

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Dwyer William E III

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)

3. Date of Earliest Transaction (Month/Day/Year)
 12/30/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Managing Director

C/O LPL INVESTMENT HOLDINGS INC., ONE BEACON STREET, FLOOR 22

(Street)

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

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

BOSTON, MA 02108

(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 Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|-----------|---|---|
| | | | | (A) or (D) | Price | | | | | |
| Common Stock | 12/30/2008 | | M | V | 25,200 | A | \$ 1.07 | 25,200 | D | |
| Common Stock | 02/27/2009 | | G | V | 9,884.94 | D | \$ 0 | 207,916.4 | I | By GRATs and family trusts ⁽⁴⁾ |

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)

| 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 Amount of Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Employee Stock Option (right to buy) | \$ 1.07 | 12/30/2008 | | M | 25,200 | 12/14/2004 12/14/2009 | Common Stock | |
| Stock Options ⁽¹⁾ | \$ 1.07 | 12/31/2008 | | J ⁽¹⁾ | 101,150 | 12/14/2004 12/14/2009 | Common Stock | |
| Restricted Stock Units ⁽¹⁾ | ⁽²⁾ | 12/31/2008 | | J ⁽¹⁾ | 95,149 | ⁽³⁾ ⁽³⁾ | Common Stock | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Dwyer William E III C/O LPL INVESTMENT HOLDINGS INC. ONE BEACON STREET, FLOOR 22 BOSTON, MA 02108 | | | Managing Director | |

Signatures

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

⁽¹⁾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).

(1) 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 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

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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.

- (3) 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 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).

- (4) This transaction involved gifts of securities by the reporting person to family trusts of which his daughter and son, who both share the reporting person's household, are beneficiaries. The reporting person disclaims beneficial ownership of these securities, and the filing of this report is not an admission that the reporting person is the beneficial owner of these securities for purposes of section 16 or for any other purpose. The remaining 198,031.46 shares are held indirectly by the reporting person through GRATs.

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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