

# SVB Wealth LLC

## Part 2A of Form ADV: Firm Brochure

March 31, 2024

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This brochure provides information about the qualifications and business practices of SVB Wealth LLC (“**SVBW**”). If you have any questions about the contents of this brochure, please contact us at 617.223.0200 or [compliance.wealth@svb.com](mailto:compliance.wealth@svb.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

Additional information about SVBW is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC does not imply a certain level of skill or training.

The investment advisory services described in this brochure are not insured by the Federal Deposit Insurance Corporation (“**FDIC**”) or any other government agency, are not a deposit or other obligation of or guaranteed by any other entity or person affiliated with SVBW and are subject to investment risks, including possible loss of principal.

## ITEM 2 - MATERIAL CHANGES

This brochure (“**Brochure**”) is dated March 31, 2024, and is the annual update to the Brochure. The following is a summary of material and/or other updates made to the Brochure since it was last updated on March 31, 2023.

- > An affiliate change occurred effective February 22, 2024, SVB Investment Services Inc. (“**SVBIS**”) was withdrawn from FINRA membership. Clients of FCIS were afforded the opportunity to transfer their accounts to a custodian of their choice.
  - All dual-hatted (broker-dealer and registered investment adviser) registered representatives (RRs) registrations associated with SVBIS were terminated through the FINRA U5 process.
  - Most, but not all, RRs registrations were transferred to the new affiliated broker-dealer FCIS.
- > Effective as of March 27, 2023, there has been an alteration in our relationship with Fidelity’s Wealth Advisor Solutions® Program (the “**WAS Program**”). Previously, SVBW participated in the WAS Program, which enabled the firm to receive client referrals. However, as of the specified date, SVBW has ceased participation in this program. While we retain the clients acquired through our previous involvement, we no longer receive new client referrals from the WAS Program.
- > Acquisition of SVBW. In March 2023, SVBW was acquired by First Citizens Bank & Trust Company (“**FCB**”), as we previously disclosed at the time of the event. This section updates our clients on the material aspects of the acquisition and its implications one year later.
  - Operational Changes: Following the acquisition, SVBW has integrated some of its operational functions with FCB. This includes some centralization of operational functions including but not limited to, shared administrative services, technology platforms, etc. These changes aim to enhance operational efficiency and improve client service.
  - Management and Personnel: The acquisition has led to some changes in our management and personnel. There have been departures, new hires, and role changes. These changes are part of our commitment to providing high-quality investment advisory services.
  - Investment Strategies and Risk Management: Our core investment strategies and risk management practices remain unchanged. Our commitment to aligning with our clients’ investment goals and risk tolerance continues to be our top priority.
  - Client Services and Communications: We have enhanced our level of client service and communication with the extensive network and expertise, as well as the strength, stability, and expanded resources offered through First Citizens.
  - Financial Condition and Performance: The strategic partnership has significantly strengthened our financial stability and resources. The acquisition has enhanced our capital base, allowing SVBW to invest further in our people, technology, and client services. Being part of a larger, well-capitalized institution like FCB provides us with increased financial security and the backing to navigate various market conditions confidently. This relationship supports our long-term commitment to delivering exceptional advisory services and maintaining the trust and confidence of our clients. SVBW is committed to leveraging the strengths of this partnership to enhance our service offerings and continue providing the high-quality, personalized investment management and advisory services that our clients expect from SVBW.
  - Legal and Regulatory Compliance: Post-acquisition, we have continued to adhere to stringent legal and regulatory standards.
  - Future Outlook: Looking forward, SVBW is well positioned to navigate the evolving financial landscape and continue our growth trajectory. Our strategic focus will be on leveraging the combined strengths and resources of SVBW, FCB and affiliates to enhance our service offering and expand our market reach.

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## ITEM 4 - ADVISORY BUSINESS

### Introduction

SVB Wealth LLC (“**SVBW**” or “**we**” or “**us**”), a Massachusetts limited liability company, is an investment adviser registered with the United States Securities and Exchange Commission (the “**SEC**”) under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). SVBW is a wholly owned, non-bank subsidiary of First-Citizens Bank & Trust Company (“**FCB**”), which in turn, is a wholly owned subsidiary of First Citizens Bancshares, Inc., a publicly traded company (NASDAQ: FCNCA). Previously, SVBW was owned by Silicon Valley Bridge Bank, N.A. (“**SVBB**”), a full-service FDIC-operated ‘bridge bank’ chartered by the Office of the Comptroller of the Currency as a national bank, and prior, Silicon Valley Bank (“**SVB**”), which was closed by the California Department of Financial Protection and Innovation. Upon the closure of SVB, the Federal Deposit Insurance Corporation (the “**FDIC**”), as the appointed receiver, transferred substantially all of the assets of SVB to SVBB on March 13, 2023.

SVBW has been in business since 2014, originally operating as Boston Private Wealth LLC (“**BPW**”), a subsidiary of Boston Private Financial Holdings, Inc. (“**BPFH**”). In 2021, SVBW’s former parent company, SVB, acquired BPFH and as part of the integration, BPW changed its name to SVB Wealth LLC in 2022.

This Brochure describes the investment advisory services offered by SVBW. SVBW’s advisory services are made available to clients primarily through its “**Private Wealth Advisors**” (collectively referred to herein as **Private Wealth Advisors** and each, a **Private Wealth Advisor**). Private Wealth Advisors are individuals associated with SVBW as investment adviser representatives. Some Private Wealth Advisors are also registered representatives of First Citizens Investor Services, Inc (“**FCIS**”), an SEC-registered broker-dealer and a member of the Financial Industry Regulatory Authority (“**FINRA**”).

As of December 31, 2023, SVBW had the following regulatory assets under management:

Discretionary	\$ 6,464,656,324
Non-Discretionary	\$ 165,509,644
Total	\$ 6,630,165,968

### Types of Advisory Services

SVBW offers discretionary and non-discretionary investment advisory services. Client accounts for which SVBW serves as investment adviser are referred to throughout this Brochure as “**Advisory Accounts**” and/or “**Accounts**” (and each, an “**Advisory Account**” or “**Account**”). Clients who wish to open and maintain an Advisory Account and receive any of the investment advisory services discussed in this Brochure are required to enter into the applicable SVBW investment advisory client agreement (the “**Client Agreement**”), which sets forth the services that SVBW (and, if applicable, the Investment Manager(s) (as defined below)) will provide to the client, the obligations of SVBW in providing such services, and acknowledgement of the investment advisory relationship between SVBW and the client. The specific terms and conditions of the Client Agreement will govern each client’s Advisory Account and the investment advisory relationship between the client and SVBW and, as applicable, other parties to the Client Agreement with respect to the Advisory Account(s).

The investment advisory services that SVBW offers can be provided on either a discretionary or non-discretionary basis. Non-

discretionary advisory services are intended for clients who want to receive ongoing investment advice for a fee but wish to retain ultimate decision-making authority over the trading activity in their Account(s). These non-discretionary services include providing investment advice and specific asset allocation and/or investment recommendations based on a client’s investment objectives, risk tolerance, financial circumstances and other information clients provide to SVBW when establishing an Advisory Account. Under a non-discretionary relationship with SVBW, SVBW will provide the ongoing and continuous investment advice and guidance to the client as memorialized by the Client Agreement, and it will be the client’s decision whether SVBW’s investment advice and recommendations are implemented in their Account(s).

SVBW provides a broad range of investment management and advisory services and offers investment analysis and portfolio construction over a broad range of investment styles. Our investment offerings include equities, fixed-income securities, mutual funds, exchange-traded funds (“**ETFs**”), private funds, and derivatives, as well as various investment strategies of certain unaffiliated, third-party Investment Managers (defined below). Investment offerings vary by service and certain offerings are subject to investment minimums and/or specific eligibility requirements and therefore may be limited based on one or more factors such as a client’s personal financial situation, amount, and type of assets available to invest, and/or account value. For example, pursuant to applicable rules and regulations, private fund offerings are only available to qualified clients who meet certain eligibility requirements related to financial sophistication and net worth, among others.

SVBW manages investment portfolios comprised of various strategies and investment types, including individual stocks and fixed income securities as well as investment vehicles, such as mutual funds, ETFs and private investments funds, that invest in equities, fixed income securities, and underlying pooled investment vehicles.

Our full-service investment management clients receive our wealth advisory & financial planning services at no additional charge.

### Custom Portfolio Management Services

SVBW’s approach to investment management begins with a review and assessment of each client’s specified investment objective(s), risk tolerance, and investment time horizon. After this assessment, we recommend a custom investment portfolio, which can include individual equities, individual fixed-income securities, mutual funds, ETFs, and/or limited partnerships and similar pooled investment vehicles.

The overall asset allocation is determined by the client’s investment objectives as described above; the appropriate risk tolerance is then defined based on that assessment, and falls within one of the following six categories:

Aggressive Growth | Growth | Balanced Growth  
Balanced Income | Income | Conservative Income

In creating these customized portfolios, certain of SVBW’s proprietary investment strategies, as described below, may be used to fulfill certain allocations.

SVBW’s custom portfolio management services also include a comprehensive review of each client’s existing holdings and asset mix to implement a streamlined and tax efficient transition of client assets and/or securities – all aligned to the client’s personal investment objectives. Each client will be served by one or more Private Wealth Advisors who are trained to respond specifically to

each client's unique requirements.

### Concentrated Holdings Services

For clients who seek advice related to concentrated security holdings, SVBW provides analysis, research, monitoring, and active management and will design diversification strategies for clients with concentrated securities holdings. Our services for management of concentrated securities holdings are provided on a pre-approved basis and require a preliminary review of the client's portfolio by one of our investment professionals. If suitable, as part of these services, we may also recommend the use of options strategies. Clients should be aware that the use of options presents additional risks as described below in Item 8. As such, the recommendation and use of options strategies for clients is on a limited basis, as suitable and appropriate for any such client.

### Proprietary Separate Account Strategies

SVBW offers a suite of proprietary separate account strategies that may utilize individual equities and/or fixed income securities as well as strategies that invest in ETFs and/or mutual funds. These strategies are designed to provide a foundation for client's investment portfolios through both diversification and active management. These proprietary separate account strategies may be used exclusively or in combination with other strategies within the client's aggregate portfolio.

Our proprietary separate account strategies are managed in accordance with the client's specified investment objective(s) and risk tolerance for an Account. The investments utilized for a proprietary strategy are selected based on achieving the stated objective(s) of the specific strategy. The use of, and allocation to, SVBW's proprietary strategies in a client's portfolio will be chosen based on the client's overall risk tolerance, time horizon, and investment objective(s). SVBW's professionals will offer specific guidance about which strategy or combination of strategies will be best suited to each client's investment objectives, risk tolerance and investment time horizon, among other things, and the proper allocations within the client's portfolio framework.

### Third-Party Investment Managers

SVBW may recommend the allocation of a portion of a client's investment assets among one or more unaffiliated, third-party investment managers (each, an "Investment Manager" and collectively, "Investment Managers") in accordance with a client's investment objective(s), risk tolerance and financial situation. SVBW maintains a disciplined research and due diligence process to identify Investment Managers that offer investment strategies (each, a "Strategy" and collectively, "Strategies") that we believe provide opportunities not available through, or more appropriate than, investment vehicles such as ETFs or mutual funds. As discussed in Item 8 below, factors which our investment team considers in selecting and recommending Investment Managers to our advisory clients include, but are not limited to, the management style, investment and overall performance, reputation, financial strength, reporting, pricing, and research of each such Investment Manager, as well as a client's designated investment objective(s).

The Investment Manager shall have day-to-day responsibility for the active discretionary management of the client Accounts invested in their Strategy or Strategies. SVBW shall continue to render investment advisory services to the client through the ongoing monitoring and review of account performance, asset allocation and client investment objectives. SVBW maintains ongoing annual due diligence and review over the recommended Investment Managers. Before a client establishes an Account with

an Investment Manager, the client will receive the Form ADV Part 2A Brochure (or other applicable disclosure document) for such Investment Manager which contains information regarding its fees, services, methods of analysis, Strategies, and other important information.

SVBW enters into sub-advisory agreements with the Investment Managers it recommends for client portfolios. This means that SVBW has discretionary authority to hire and/or fire the Investment Manager on behalf of clients and results in some operational efficiencies regarding the opening and closing of accounts as well as communicating transaction details. As discussed below in Item 5, each Investment Manager charges its own advisory fee which is deducted from a client's Account at the customary billing intervals. SVBW does not receive any compensation from any Investment Manager.

As detailed below in Item 5, the investment advisory fee that a client pays to SVBW does not include the fees charged by each available Investment Managers.

**The Form ADV Part 2A Brochure for each Investment Manager is available at the SEC's website at <https://www.adviserinfo.sec.gov/IAPD>. Clients are encouraged to review each Investment Manager's disclosure documents for important additional information.**

### Private Investment Funds

Some clients prefer the ability to access private investment funds. SVBW offers eligible clients access to certain unaffiliated private investment funds. SVBW will only recommend private funds to those clients who meet the regulatory requirements and thresholds (i.e., Accredited Investor, Qualified Client, or Qualified Purchaser) to be eligible to invest in such private funds, and for whom SVBW reasonably believes such an investment to be suitable, given the client's total portfolio, investment objectives, risk parameters/tolerance and liquidity needs. SVBW shall not exercise any discretion whatsoever related to a client's decision to invest in any private fund. Rather, the decision to invest in any private fund is made by the client and is the client's responsibility.

SVBW's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of SVBW calculating its investment advisory fee. SVBW clients are under absolutely no obligation to consider or make an investment in any private investment fund(s).

Any clients deciding to invest in a private fund will receive an offering memorandum, or other similar document, prepared by the fund sponsor outlining the fund's investment objectives, risk factors, conflicts, and the terms of the investment in such private fund. For each private fund in which a client decides to invest, the client will sign and enter into the Client Agreement with SVBW *and* will also be required to sign separate fund documentation (i.e., a subscription agreement or other similar agreement) for each such private fund acknowledging the terms and conditions of the fund and/or venture and the corresponding risk factors, including loss of principal and liquidity constraints.

Investments in private investment funds involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency. A complete description of such risks is set forth in each fund's offering

documents, which are provided to prospective investor clients for review and consideration. Unlike liquid investments, private investment funds do not provide daily liquidity or pricing. As with all recommendations made in our capacity as investment adviser, before recommending a private fund to any client, SVBW must determine whether a specific private fund is suitable for, and in the best interest of, a particular client. In so doing, SVBW shall consider the following factors:

- The type of offering-including risks, time horizon, and liquidity issues.
- The client's investment objective(s) – realizing that for certain clients, a private fund of any kind may not be suitable;
- The client's current portfolio allocation;
- The client's available cash to commit to the private fund;
- The private fund's investment minimum per investor; and
- The client's current allocation to private investment funds.
- Any supplemental account reports prepared by SVBW shall reflect the most recent valuation provided by the fund sponsor for each private investment fund owned by the client.

### **Wealth Advisory & Financial Planning Services**

SVBW, in partnership with FCB, offers a range of wealth management and financial planning services which provide clients with advice and information aimed to help them make informed decisions about their entire net worth or components of their net worth. The wealth advisory and financial planning platform has a flexible framework which allows us to customize our approach and the services provided to meet the unique goals and objectives of clients.

Our internal wealth advisory and financial planning team includes professionals who are trained to advise clients on a wide variety of matters related to wealth and financial planning. Depending on the particular needs of a client, the SVBW advisory and financial planning team can provide comprehensive financial planning review services as well as periodic financial planning reviews to assess a client's financial situation, goals and objectives.

These services include advice related to one or more of the following:

- Income and retirement planning
- Protection planning
- Investment management planning
- Legacy and estate planning
- Philanthropic planning
- Business succession planning
- Executive planning
- Estate plan analysis and review
- Insurance and risk management review
- Cash flow and debt management
- Compensation and benefits
- Donor advised funds

### **Investment Consulting Services**

SVBW also provides investment consulting services designed to assist clients in creating and implementing an organized, long-term strategy to make informed decisions about their entire net worth or components of their net worth. Specific investment consulting service options include, but are not limited to, the following:

#### **Diagnostic Review**

- Review client's current investment process and/or investment advisory engagements

- Provide executive summary of our observations and recommendations
- Investment policy development and governance design
- Investment council/committee design
- Asset allocation strategy recommendations

#### **Portfolio Construction and Implementation**

- Access to the other investment advisory and investment management services of SVBW (as detailed above), including proprietary equity and fixed-income investment strategies and Strategies of third-party Investment Managers
- Concentrated security management

#### **Performance Measurement, Reporting, and Analysis**

- Custom benchmarking and reporting
- Strategy performance analytics

#### **Custom Investment Solutions**

- Customized security research
- Access to platform of Investment Managers

As part of our investment consulting services, SVBW may also provide discretionary investment advisory services in combination with other (non-discretionary) investment consulting services.

### **Services to Retirement Plan Assets**

Upon request, SVBW also provides investment advisory services on a client's 401(k) or similar retirement plan assets. For these clients, SVBW shall make recommendations to the client on the allocation of the retirement account assets among the investment options available on the applicable retirement plan platform. Please note: SVBW's services shall be limited to the recommendation of allocation of the client's 401(k) plan or similar retirement plan assets among the investment choices available through the plan. SVBW will not receive any communications from the 401(k) plan or similar retirement plan sponsor or custodian, and it shall remain the client's obligation to notify SVBW of any changes in investment option changes, investment option restrictions, or other relevant or material information pertaining to the retirement account.

#### **IRA Rollovers or Transfers**

In appropriate circumstances, SVBW may recommend that a client roll over an account held in a former employer's retirement plan or an outside Individual Retirement Account ("IRA") to an IRA for SVBW to manage. If the client elects an IRA rollover or transfer subject to SVBW's management, the account will be subject to SVBW's advisory fee per the Client Agreement.

Many employers permit former employees to keep their retirement assets in the company plan, and some retirement plans permit current employees to move assets out of the company plan before retiring or leaving the company. In determining whether to complete an IRA rollover, and to the extent the following options are available, clients should consider their costs and benefits. An employee will typically have four options:

1. Leave the assets in the employer/former employer's plan;
2. Transfer the funds to a new employer's retirement plan;
3. Cash out and take a taxable distribution from the plan;
4. Roll the funds into an IRA account.

Each of these options has advantages and disadvantages, and SVBW recommends that clients communicate with their own legal, tax, and/or accounting advisors to consider the options specific to their own situation before making a change. Clients should consider the following relevant issues together with their Private Wealth Advisor and their own personal tax, legal, and/or accounting

advisors before initiating a rollover or transfer to a SVBW IRA:

- Whether the investment options in the employer retirement plan or existing IRA address client’s needs or whether other types of investments are needed.
  - Employer retirement plans generally have a more limited investment menu than IRAs.
  - Some employer retirement plans have unique investment options not available to the public such as employer securities, or previously closed funds.
- Whether the employer retirement plan or existing IRA has lower management and investment fees and expenses than SVBW. If interested in investing only in mutual funds, clients should understand the cost structure of the share classes available in the employer retirement plan compared to those available in an IRA.
  - Clients should understand the various products and services ~~add~~ through a SVBW managed IRA and the potential costs of those products and services.
  - Clients should consider if SVBW’s recommended strategy entails higher risk than the option(s) provided in their employer retirement plan or existing IRA and whether the level of risk is consistent with their current risk tolerance and investment objectives.
- If the employer retirement plan or existing IRA offers financial advice.
- Keeping assets in an employer retirement plan may potentially delay a required minimum distribution beyond age 72 if the client is still working for the employer.
- For clients concerned about protecting assets from creditors, an employer retirement plan may offer more liability protection than an IRA. Such legal protection varies by state.
  - Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there may be exceptions to these general rules so an attorney should be consulted if the client is concerned about protecting their retirement plan assets from creditors.
- If loans may be available from the employer retirement plan (although generally loans are not available ex-employees); no loans are available from an IRA.
- When considering accessibility for an IRA versus an employer retirement plan, it’s important to evaluate how accessibility needs align with the rules governing each type of account.
  - Employer plans may have more stringent rules on withdrawals and may require that the account holder reaches a certain age, no longer works for the employer, or meets other plan-specific criteria.
  - IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless qualifying for an exception such as disability, higher education expenses or the purchase of a home.
- If a client owns company stock in their employer retirement plan, they may be able to liquidate those shares at a lower capital gains tax rate.
- If the client’s employer retirement plan allows SVBW to be hired as the investment manager and to keep the assets titled in the plan name.
- It is important that clients understand the differences between these types of accounts and to evaluate whether a rollover is best under the circumstances.

See Item 10 below for more information regarding conflicts of

interest associated with rolling over or transferring employer retirement plan assets or IRA accounts to a retirement account managed by SVBW.

## Retirement Plan Advisory Services

In addition, a team comprised of certain SVBW Private Wealth Advisors known as the Retirement Plan Advisory Team (the “**RPA Team**”) specializes in providing counseling and advice to businesses on effective plan governance and delivery of employee retirement benefits subject to the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”). The RPA Team provides services to assist plan sponsors, plan trustees, and investment committees to meet their fiduciary responsibilities. The investment advisory services provided by the RPA Team include preparation of investment policy statements, evaluation, selection, and reporting of investments, and advising clients on education and communication with plan participants. The RPA Team counsels plan fiduciaries with its expertise in plan governance, risk assessment, and expense analysis.

## Wrap-Fee Program

SVBW sponsors a wrap fee program in partnership with an unaffiliated third-party, Betterment LLC (“**Betterment**”), that is not described in this Brochure. In this program, Betterment, acting as sub-adviser, provides discretionary portfolio management and asset allocation services to clients based on each client’s specific goals, investment objectives, risk tolerance, and other information. Clients pay an asset-based, all-inclusive “wrap” fee that covers the costs of Betterment’s investment advisory services as well as associated trading and custody services provided by its affiliated broker-dealer, Betterment Securities. Information about this program is contained in our Appendix 1 Wrap Brochure, which can be obtained upon request from a Private Wealth Advisor, or at the SEC’s website at [www.adviserinfo.sec.gov/IAPD](http://www.adviserinfo.sec.gov/IAPD).

## Reasonable Investment Restrictions

With respect to most advisory services described in this Brochure, clients may seek to impose reasonable investment restrictions on the management of their Account assets, including requesting, in writing, particular securities that should not be purchased for an Account (by providing a ticker for any such security), and/or requesting, in writing, a reasonable level of limitation on the discretionary authority granted to SVBW for an Account (e.g., limit the types/amounts of particular securities purchased for a client’s Account) which will be accommodated where practicable. For clients participating in a specific proprietary model or strategy, SVBW will attempt to accommodate requested reasonable limitations and investment restrictions to the extent possible or practicable.

## ITEM 5 - FEES AND COMPENSATION

SVBW provides investment advisory services to clients on a fee basis. The advisory fee is either an asset-based or a fixed annual fee, depending on the particular services provided, among other things. Each client enters into the written Client Agreement with SVBW prior to SVBW providing advisory services. The Client Agreement describes the scope of SVBW’s services and responsibilities as well as our fees for services.

In its discretion, and subject to the fee schedules included below, SVBW may negotiate the amount of the fee rate and method of billing based on a number of factors, including type and size of the Account, services provided, historical factors and/or the client’s

relationship with SVBW, subject to internal guidelines. Generally, new clients are billed according to SVBW's tiered fee schedule (which is included below), whereby the fee reduces as certain asset thresholds are reached. Typically, Accounts are charged the advisory fee quarterly, in advance, based on the net market value of the assets in the Account (including all cash and cash equivalents such as money market mutual funds, cash sweep funds or other short-term instruments) on the last day of the previous quarter. In most cases, the fee is automatically deducted from the Account. As circumstances warrant, and pursuant to the specific terms of the Client Agreement, SVBW may instead charge an asset-based fixed rate or fixed dollar investment management fee (see below).

**Please note:** Although SVBW does not have any stated account minimums, Accounts with a portfolio value of \$1,000,000 or less can pay effective fees greater than (or equal to) 1.25%. Depending on the engagement, some portion of the advisory fee is typically assessed in advance of the services being provided.

**Please Note:** Investment Consulting fees are typically billed either as a fixed dollar, hourly, or asset-based fee, or a combination thereof, as negotiated with the client and reflected in the applicable Client Agreement.

The advisory fees are set forth in the Client Agreement between a client and SVBW and may be amended from time to time in accordance with the terms of such Client Agreement. Below is the SVBW fee schedule that applies to new Accounts. The fee that will apply to an Account is dependent upon the services provided, as shown by the schedules below. Certain client Accounts have different fees and/or minimum requirements and fees are generally negotiable depending on circumstances. Clients are also responsible for any other fees and expenses related to their Accounts that are payable to other entities, as applicable. For example, SVBW does not receive brokerage commissions, transaction costs or other related brokerage expenses (see Additional Fees and Expenses not paid to SVBW, below), but third-party custodians or other parties may charge such fees and expenses in which case, the client would be responsible for payment.

**Flat Rate or Fixed Dollar Amount Fee** In some circumstances, and in SVBW's sole discretion, SVBW may enter into a flat percentage rate agreement with new clients that generally will not exceed 1.25% annually of the assets under management. Alternatively, in limited circumstances and in SVBW's sole discretion, SVBW might agree upon an engagement for a fixed annual dollar fee for wealth management services. The fee is determined on a variety of factors which generally include the level and scope of the services to be provided, the client's overall relationship with SVBW and potential for future business, and the professional providing the services. Certain legacy clients have agreements that provide a fixed annual fee for services (for example, fees charged on an hourly basis for additional work beyond the scope of the normal engagement) which may be more or less than other clients are paying or will pay for receipt of the same services.

### **Automatic Fee Deduction/Billing**

When client Account assets are held with certain custodians, we will deduct our advisory fee directly from the client's account, pursuant to authorization included in the Client Agreement and other account opening documents, as applicable. Otherwise, we will send an invoice to the client's custodian, who will be authorized to deduct fees directly from the client's Account(s). Account statements sent directly from the custodian will show all transactions in the client's Account(s), including SVBW's fee. Clients should review their statements to confirm the accuracy of transactions, values, and

fees.

### **Additional Fees and Expenses Charged to Clients**

The following charges, fees and commissions are exclusive of, and in addition to, SVBW's fees, and SVBW shall not receive any portion of these commissions, fees, and costs.

**Investment Manager Fees** For client Accounts invested with and managed by a third-party Investment Manager, the client is responsible for paying the fee(s) charged by each such Investment Manager for an Account, as applicable. Investment Manager fees are separate from, and in addition to, SVBW's investment advisory fee. Fees vary by Investment Manager and Strategy (e.g., equity vs. fixed income), but generally range from 0.25% - 1.00% per annum.

**Mutual Fund and ETF Management Fees** Investments in mutual funds and ETFs include an embedded investment management fee paid to the investment adviser of the mutual fund or ETF. As such, client accounts with investments in mutual funds and/or ETFs will be subject to two layers of management fees. The fees and expenses associated with each mutual fund or ETF are described in the prospectus for each such fund; clients should read these documents in detail to understand the costs associated with investments in mutual funds and/or ETFs.

**Mutual Fund Transaction Fees** Depending on the custodian, SVBW may be able to purchase mutual funds with no transaction fees. Note that clients who do not trade through specific custodians may not be eligible for these waived transaction fees. Fees may be imposed upon early redemption if the fund was owned prior to our management or if we sell the fund in our discretion. An explanation of the fees and expenses associated with each mutual fund is contained in that fund's prospectus.

**Private Investment Fund Fees and Expenses** If client assets are allocated to an unaffiliated private investment fund, clients generally bear all fees and expenses applicable to the investment in the funds, including fixed fees, asset-based fees, performance-based fees, carried interest, incentive allocation, and other compensation, fees, expenses and transaction charges payable to third party fund managers in consideration of their services to the funds. Additionally, clients will indirectly bear their pro rata share of other expenses incurred by the fund, which typically include administrative, custodial, transaction and organizational costs, accounting and audit, insurance, research, travel, and other costs necessary to carrying out the business of the fund and production of the fund's net asset values. Investors should review the applicable fund governing documents to understand the nature and extent of fees to be paid in addition to SVBW's advisory fee.

**Donor Advised Fund Fees** If client assets are allocated to a donor advised fund, the client will be responsible for paying all fees charged by the fund on those assets in addition to SVBW's advisory fee. The fund will impose and arrange for the automatic deduction of its own fees from the liquidity account of each affected client.

**Brokerage and Other Transactions Fees and Expenses** Clients will incur brokerage and other transaction costs. Since it is not a broker-dealer, SVBW does not charge for brokerage commissions, transaction fees, exchange fees, SEC fees or other related trading costs and expenses. Rather, such commissions, fees and costs will be charged directly to clients by the clients' custodian and/or broker-dealer. The following is a list of additional fees and expenses that may be directly billed or borne proportionately by the client and third parties:

Brokerage fees, commissions, transaction fees, custodial fees,



transfer taxes, odd-lot differentials, margin interest, deferred sales charges (on mutual funds or annuities), wire transfer and electronic fund processing fees, advisory fees and administrative fees charged by mutual funds and ETFs.

Custody fees, administration fees and all other fees charged by service providers providing services relating to client Accounts are charged by and paid to the custodian, the administrator or other service providers (e.g., broker-dealer, mutual fund company, annuity issuer, or other third-party) for the Account and are not included in the advisory fees payable to SVBW. An Account will generally bear such expenses unless provided otherwise in the applicable Client Agreement.

Transaction fees in client accounts can vary due to (1) different pricing or fees charged by different brokers or custodians, (2) different fee structures due to legacy arrangements made by predecessor firms, and (3) the broker used for any particular trade. Custodian statements may display certain transaction fees per trade, but commissions on certain statements or for certain

transactions will be reflected in the net share price and not disclosed separately. In certain situations, and for certain transactions, transaction fees may be charged by the custodian to SVBW. See Item 12 Brokerage Practices for more information.

None of our supervised persons receive compensation for the sale of SVBW clients' securities or other investment products.

### **Account Termination**

SVBW generally requires a written notice of termination of the Client Agreement, however, specific notice requirements are detailed in the Client Agreement. Upon such notice, SVBW will cease making investment decisions for a client's applicable Account(s) and implement any reasonable written instructions. The Client Agreement will be terminated only after any open trades have been settled. SVBW will refund any un-earned portion of its management fee. However, if the client terminates within five (5) business days from the date of execution of the Client Agreement, the client will receive a full refund.

## SVBW STANDARD FEE SCHEDULES

Advisory Services	Annual Fee Rates as % of Assets
<p><u>Wealth Management</u> (annualized asset-based fee)</p> <ul style="list-style-type: none"> <li>■ Includes one or more of the following, as applicable: financial advice, comprehensive financial planning, asset allocation, and investment management.</li> <li>■ Premium services may be offered in the future, which could include access to and servicing of Private Investment solutions. These services will be subject to additional fees. Detailed information about these services and the associated fees will be provided in our updated ADV Part 2 at the time of offering.</li> </ul>	<p>1.25% on the first \$1,000,000            1.15% on the next \$1,500,000            0.90% on the next \$7,500,000            0.70% on the balance</p>
<p><u>Wealth Management - Fixed Income-Only Portfolios</u> (annualized asset-based fee)</p> <ul style="list-style-type: none"> <li>■ Individual fixed income securities including investment grade bonds and municipal bonds.</li> </ul>	<p>Negotiated fee schedule not to exceed 0.75%</p>
<p><u>Consulting Services/Wealth Advisory &amp; Financial Planning</u> (flat and/or hourly fee)</p> <ul style="list-style-type: none"> <li>■ Custom engagements encompassing one or more of the following:               <ul style="list-style-type: none"> <li>– Diagnostic Portfolio review</li> <li>– Wealth Advisory &amp; Financial Planning</li> <li>– Asset Allocation</li> <li>– Investment Governance and Design</li> <li>– Portfolio Construction</li> <li>– Performance Reporting, Monitoring and Analysis</li> <li>– Custom Investment Solutions</li> </ul> </li> </ul>	<p>Negotiated rate: Either fixed dollar fee, asset-based fee, and/or hourly fee of \$300</p>
<p><u>Retirement Plan Advisory Services</u></p>	<p>Negotiated rate: Either fixed dollar fee and/or asset-based fee            Negotiated fee schedule not to exceed 0.50%</p>

The fee schedules apply to all new clients. SVBW plans to continue pre-established fee schedules with existing clients as set forth in the Client Agreement. These arrangements may be more or less advantageous to such clients than the fee schedules offered to new clients.

SVBW retains the discretion to waive its minimum asset level, charge a lower investment advisory fee, charge a flat fee, or waive its fee entirely based upon a number of factors (e.g., the client's anticipated investments, the dollar amount of assets to be managed, the client's related accounts, account composition, scope of the services to be provided, size and complexity of the engagement, the client's overall relationship with SVBW's affiliates, grandfathered fee schedules, current/former employees and/or their family members, courtesy accounts, etc.). Please Note: As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

## ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

SVBW and its Private Wealth Advisors do not charge or accept performance-based fees. However, from time to time, certain Strategies of Investment Managers and/or private funds that SVBW makes available to clients may be subject to performance-based fees.

## ITEM 7 - TYPES OF CLIENTS

SVBW's clients include individuals, IRAs, trusts, estates, charitable organizations, foundations, family offices, banks and thrift institutions, pension, and profit-sharing plans, including plans subject to ERISA, participants in such plans, other investment advisers, and corporations and other business entities.

### Account Requirements

Certain investment offerings and/or strategies require the client to maintain a minimum amount of assets to open and invest / enroll an Advisory Account in that offering or strategy. Where applicable, SVBW may, in its discretion, waive or reduce these minimum requirements for certain clients or Accounts. These include certain proprietary separate account strategies of SVBW, Strategies of Investment Managers, and most private fund offerings. If an Account falls below a required minimum, SVBW can terminate its services in accordance with the terms of the Client Agreement.

## ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### Methods of Analysis and Investment Strategies

Proprietary Investment Strategies SVBW uses fundamental, quantitative, and technical analysis in evaluating securities. Fundamental analysis involves looking at economic, financial, and other qualitative and quantitative factors to measure a security's value. We use various financial databases to screen publicly traded companies to identify a smaller universe of candidates that meet our criteria for growth, value, equity, and income (dividends). We rely on tools such as Bloomberg Professional, FactSet and BondEdge. We also use commercially available technology, financial periodicals and other publications, SEC filings, and financial statements to assist with our analysis. In certain instances, we also use outside consultants to provide expertise in particular areas or for more in-depth analysis, these views and analyses received from broker-dealers ("sell-side research") are also considered as part of SVBW's evaluation process.

Our investment selection process for fixed-income securities is based on the specific client's/strategy's goal for liquidity, our portfolio manager's outlook, and our view of the environments for interest rates and corporate and/or municipal credit.

Investment Managers Our investment team employs a due diligence review process to select Investment Managers and one or more of their Strategies to make available to our clients. This initial review includes quantitative and qualitative assessments of each Investment Manager and Strategy. SVBW's investment team monitors Investment Managers for adherence to their stated investment process and regularly assesses whether risks are being responsibly managed.

This process is also applied to the selection of mutual funds, ETFs,

and limited partnership structures.

SVBW's investment advisory platform provides access to the following:

Investments Manager SVBW may engage any U.S. registered investment adviser as an Investment Manager to manage a client's assets on behalf of a client and at the client's expense.

Mutual Funds and ETFs SVBW's investment team evaluates, selects and monitors mutual funds and ETFs across multiple asset classes and investment styles through a qualitative and quantitative analysis process.

Donor Advised Funds Depending on a client's interest in charitable giving through donor-advised funds, SVBW will allocate, or recommend the allocation of, a portion of the client's assets to a donor advised fund, in accordance with SVBW's arrangements with each pertinent foundation.

Private Investment Funds SVBW will evaluate, select, and monitor private investment funds and other alternative investment vehicles for qualified clients. These include investments in private equity, hedge funds, real estate, commodities, or liquid alternatives.

Derivative Investments SVBW will evaluate, select, and monitor investments in derivative instruments for qualified clients. These include sophisticated option-based strategies.

Proprietary Strategies Our proprietary strategies include equity and fixed-income strategies described under "Proprietary Separate Account Strategies" below.

### Proprietary Separate Account Strategies

Equity SVBW offers two proprietary equity strategies: quality growth and dividend growth, each providing a combination of US mid and large cap core equity exposures.

Fixed Income SVBW's fixed-income strategies include taxable, and tax-exempt solutions. They can be short duration, intermediate-term, or longer; and include US municipal bonds, US government, US investment grade credit or a combination of both, and high-yielding portfolios. Fixed-income strategies can be customized to meet a client's unique parameters specific to tax status and state of residence, target duration, credit quality, and cash flow needs.

### Material Risks

**Investing in securities involves risk of loss that clients should be prepared to bear. Investment performance cannot be predicted or guaranteed, and the value of a client's assets will fluctuate due to market conditions and other factors. Investments are subject to various risks, including, but not limited to, economic, political, market, currency, liquidity, and cybersecurity risks and will not necessarily be profitable. Past performance of investments is not indicative of future performance.**

Depending on the type of service being provided, SVBW and Private Wealth Advisors can recommend different types of securities, including, but not limited to, mutual funds, ETFs, equities, fixed income securities, certain private funds, options, and other investment vehicles. Described below are some risks associated with investing and with some types of investments that SVBW and Private Wealth Advisors can recommend depending on the type of service provided. For a more complete summary of material risk factors and conflicts of interest associated with the Strategies of third-party Investment Managers, please refer to the applicable Investment Manager's Form ADV Part 2A. Clients

should also review the offering materials and prospectuses produced by issuers and sponsors of investment products and other disclosure available for each relevant investment, security, or transaction to understand associated risks and costs.

**Market/Volatility Risk.** The risk that the value of the assets in which a client account is invested decreases (potentially significantly) in response to various factors, including inflation (or expectations for inflation), deflation (or expectations for deflation), market instability, regulatory events, changes in interest rates, regional or global pandemics, and national and international political and economic events due to increasingly interconnected global economies and financial markets.

**Pandemics and Other Diseases Risk.** Events such as pandemics or widespread outbreaks of disease may lead to increased short-term market volatility and may have adverse long-term effects on the U.S. and world economies and markets generally. For example, a novel and highly contagious form of coronavirus, (“COVID-19”), has occurred and created adverse impacts on global commercial activity and contributed to significant volatility in certain equity, debt, derivatives, and commodities markets, which is continuing to be felt. The global COVID-19 pandemic resulted in the implementation of quarantines, prohibitions on travel, the closure of offices, businesses, schools and other public venues, and other restrictive measures. Such measures and the general uncertainty surrounding the dangers and impact of COVID-19 create significant disruption in supply chains and economic activity and have a particularly adverse impact on several industries, including the financial industry and participants. Pandemics and similar events could also have an acute effect on individual issuers, or related groups of issuers, and could adversely impact securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation, and other factors relating to an account’s portfolio or SVBW’s operations.

**Regulatory Risk.** There have been legislative, tax, and regulatory changes and proposed changes that may apply to the activities of SVBW that may require legal, tax, and regulatory changes, including requirements to provide additional information pertaining to a client account to the Internal Revenue Service or other taxing authorities. Regulatory changes and restrictions imposed by regulators, self-regulatory organizations, and exchanges vary from country to country and may affect the value of client investments and their ability to pursue their investment strategies. Any such rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins and reduced investment and trading opportunities, all of which would negatively impact performance.

**Data and Information Risk.** Although SVBW obtains data and information from third party sources that it considers to be reliable, SVBW does not warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. SVBW does not make any express or implied warranties of any kind with respect to such data. SVBW shall not have any liability for any errors or omissions in connection with any data provided by third party sources.

**Equity Risk.** Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate and can decline and reduce the value of an equity’s investment portfolio. The value of equity securities purchased could decline if the financial condition of the companies in which SVBW invests declines or if overall market and economic conditions deteriorate. They may decline due to factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an

industry, or due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

**Fixed Income Risk.** Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of such securities tends to decrease. Conversely, as interest rates fall, the market value of such securities tends to increase. This risk will typically be greater for securities based on longer-term interest rates than for securities based on shorter-term interest rates. Fixed income securities may experience a decline in income when interest rates decrease. During periods of falling interest rates, an issuer may be able to repay principal prior to the security’s maturity (i.e., prepayment), causing the vehicle to have to reinvest in securities with a lower yield, resulting in a decline in the vehicle’s income. Additionally, fixed income securities may be subject to liquidity risk, whereby a security is difficult to purchase or sell or becomes difficult to sell after being purchased. This risk has been especially pronounced in recent times due to disruptions in the global debt markets and is elevated for high-yield fixed income securities (sometimes called “junk” bonds).

**Risks of Mutual Funds and ETFs.** Mutual fund and ETF shareholders are subject to the risks stemming from the individual issuers of the fund’s underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains if they sell securities for a profit that cannot be offset by a corresponding loss. Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund’s stated daily per share net asset value (“NAV”) plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund’s holdings. The trading prices of a mutual fund’s shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund’s shares trading at a premium or discount to actual NAV. Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

**Risks Relating to Private Funds.** On a non-discretionary basis, SVBW may recommend clients invest in certain private investment funds (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation and transparency.

There are numerous other risks of investing in private funds, including, but not limited to:

- > Investors in recommended private investment funds bear the applicable fees discussed in Item 5 (Fees and Compensation) of this Brochure in addition to asset-based fees, performance-based fees, carried interest, incentive allocation, and other compensation, fees, expenses, and transaction charges payable to third party fund managers in consideration of their services to the recommended private investment funds.
- > As further described in the offering documents of any particular private fund, private funds can be highly illiquid, are speculative and not appropriate for all investors. For example, private funds may impose substantial limits the redemption or withdrawal, and the provisions regarding these actions can vary significantly from one fund to another. Therefore, clients may not be able to withdraw their investment in a private fund promptly after a client has decided to do so. The client must adhere to the liquidity terms set forth by the specific private fund which can include early redemption fees. This may adversely affect the client's investment return or increase the client's expenses and limit the client's ability to make offers to repurchase units.
- > Private funds may not allow withdrawals and may distribute in-kind. Private funds may be permitted to redeem their interests' in-kind (distributing securities instead of cash). Thus, upon the client's withdrawal of an interest in a fund, it may receive securities that are illiquid or difficult to value. Limitations on the client's ability to withdraw their assets from these funds may, as a result, limit each fund's ability to repurchase units from investors.
- > Private funds may be difficult to value. The valuation of the client's investments in private funds is ordinarily determined based on valuations provided by the private funds and their auditors. Although SVBW reviews the valuation procedures used by the funds, SVBW may not be able to confirm or review the accuracy of such valuations. SVBW may face a conflict of interest in valuing private funds since the private funds' values will affect SVBW's compensation. To mitigate this potential conflict, SVBW relies on the valuations provided by the private funds.
- > SVBW does not and will not control any of the recommended private investment funds. SVBW will monitor recommended private investment funds to detect any deviations from their stated investment mandate, but there is no guarantee that these funds will not deviate unexpectedly.

Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

SVBW does not receive fees from (and is not reimbursed for expenses by) these private investment funds or their managers.

**Non-U.S. Securities** International investments involve special risks not typically associated with trading in investments relating to markets and/or issuers solely in the U.S. Depending on the particular countries and investments involved and on the nature of the particular transactions executed outside of the U.S., these special risks may include: changes in exchange rates and exchange control regulations; downgrades in sovereign credit ratings; devaluations or non-convertibility of non-U.S. currencies; failures or disruptions in central banks, banking systems, markets or financial exchanges; changes in monetary policies, interest rates or interest rate policies; political, social and economic instability; adverse diplomatic developments; investment and repatriation

restrictions; the nationalization and/or expropriation of assets; government intervention in the private sector; default by public and private issuers on their financial obligations (and limited recourse in connection with such defaults); the imposition of non-U.S. taxes; discrimination against foreign investors; less liquid markets; less information; higher transaction costs; less information regarding legal and regulatory risks; less uniform accounting and auditing standards; greater price volatility; less reliable clearance and settlement procedures; and/or less government supervision of exchanges, brokers, market intermediaries, issuers and other markets and market participants, than is generally the case in the United States.

**Event Risk** An adverse event affecting a particular company or that company's industry could depress the price of a client's investments in that company's stocks or bonds.

The company, government, or other entity that issued bonds in a client's portfolio could become less able to, or fail to, repay, service, or refinance its debts, or the issuer's credit rating could be downgraded by a rating agency.

Adverse events affecting a particular country, including political and economic instability, could depress the value of investments in issuers headquartered or doing business in that country.

**Liquidity Risk** Securities that are normally liquid may become difficult or impossible to sell at an acceptable price during periods of economic instability or other emergency conditions. Some securities may be infrequently or thinly traded even under normal market conditions. Certain investments including private placement vehicles are inherently illiquid and therefore involve additional risks.

**Domestic and/or Foreign Political Risk** Events that occur in the U.S. relating to politics, government, and elections can affect the U.S. markets. Political events occurring in the home country of a foreign company such as revolutions, nationalization, and currency collapse can have an impact on the security.

**Inflation Risk** Nations around the globe may be more, or less, prone to inflation than the U.S. economy at any given time. Companies operating in countries with higher inflation rates may find it more difficult to post profits reflecting its underlying health.

**Derivative Instruments** Derivative instruments, such as futures, options, and swaps, are financial contracts whose value is derived from the performance of underlying assets, rates, or indices. These are widely used for hedging, speculation, and arbitrage purposes across various financial markets. Investing and engaging in derivative instruments and transactions, including commodity funds and commodity ETFs, may involve different types of risk and possibly greater levels of risk. These risks include, but are not limited to the following:

> **Possible Leverage** A derivative instrument or transaction may disproportionately increase an account's exposure to the market for the assets underlying the derivative position and the sensitivity of an account's portfolio to changes in market prices for those assets. Leverage will tend to magnify both the positive impact of successful investment decisions and the negative impact of unsuccessful investment decisions on an account's performance.

> **Counterparty** Credit Risk Counterparty credit risk refers to the risk that the counterparty to a derivative contract will default on its contractual obligations, leading to financial loss for the other party. This risk is of significant concern in over-the-counter (OTC) derivatives markets, where contracts are customized and traded directly between parties, without the intermediation of a

centralized exchange. To mitigate these risks, the creditworthiness of counterparties is evaluated, and risk management strategies are employed, such as collateralization, netting agreements, and credit default swaps.

- > **Lack of Correlation.** The lack of correlation in derivative markets refers to the phenomenon where the performance of derivative instruments does not align with the underlying assets, markets, or economic indicators they are supposed to represent or hedge against. Factors such as market volatility, liquidity constraints, and geopolitical events can lead to a breakdown in expected correlations between derivatives and their underlying assets. This can result in unexpected losses or reduced effectiveness of hedging strategies. To manage the risks associated with lack of correlation, investors and institutions may employ diversification strategies, structuring their portfolios to include a mix of derivatives and other financial instruments with varying correlation profiles. The market value of a derivative position may correlate imperfectly with the market price of the asset underlying the derivative position. If a derivative position is being used to hedge against changes in the value of assets in an account, a lack of price correlation between the derivative position and the hedged asset may result in an account's assets being incompletely hedged or not completely offsetting price changes in the derivative position.
- > **Illiquidity.** Over-the-counter derivative contracts are usually subject to restrictions on transfer, and there is generally no liquid market for these contracts. Although it is often possible to negotiate the termination of an over-the-counter contract or enter an offsetting contract, a counterparty may be unable or unwilling to terminate a contract with an account, especially during times of market instability or disruption. The markets for many exchange-traded futures and other instruments are quite liquid during normal market conditions, but this liquidity may disappear during times of market instability or disruption.
- > **Less Accurate Valuation** The absence of a liquid market for over-the-counter derivatives increases the likelihood that SVBW will be unable to correctly value these interests.

**Margin Accounts** Some of our investment strategies require that clients maintain a margin account. Clients who purchase securities may pay for them in full (a "cash account") or may borrow part of the purchase price from the broker-dealer that holds his/her account (a "margin account"). Clients generally use margin to leverage their investments and increase their purchasing power. At the same time, clients who trade securities on margin incur the potential for higher losses. We will discuss the risks of using margin with each client to determine if it is appropriate for their portfolio but, in general, would like for clients to know about some of the major risks of trading on margin.

- > Clients can lose more funds than deposited in a margin account.
- > The broker-dealer holding the client account can force the sale of securities in the account.
- > The broker-dealer can sell client securities without contacting the client.
- > Clients are not entitled to an extension of time on a margin call.

**Rebalancing of Portfolio** SVBW may periodically rebalance client portfolios. Rebalancing involves trading securities - buying some and selling others. In rebalancing a client's portfolio, the client may experience some additional transaction costs and tax implications due to this rebalancing. The client may suffer lower returns if the assets sold have higher returns in the future than those being purchased.

**Balancing the Interests of Multiple Client Accounts** SVBW may

manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to client's investments and the performance resulting from such decisions may differ from client to client.

**Allocating Investment Opportunities** Because each client portfolio is individually managed, SVBW will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have materially different amounts of capital under management by SVBW, different objectives, or different amounts of investable cash available. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

**Cybersecurity Risk** Due to the increased use of technology in our business and the financial services industry in general, SVBW is subject to cybersecurity risks. In general, cyber incidents can result from deliberate attacks or unintentional events, and are not limited to, gaining unauthorized access to digital systems and misappropriating assets or sensitive information or corrupting data or causing operational disruption, including denial-of-service attacks on websites. Cybersecurity failures or breaches with respect to SVBW or of its third-party vendors can cause disruptions to SVBW, potentially resulting in financial losses to clients and/or violations of applicable privacy and other laws that adversely affect clients.

Client investments may also be subject to other risks specific to certain securities, which are further described in the underlying prospectus or other disclosure statement from the issuer of those securities. Clients should carefully review all available disclosures for any securities. Additionally, despite SVBW's affiliation with FCB, client assets managed by SVBW are not bank deposits and are not insured or guaranteed by the FDIC or any other government agency entity or person and may lose value.

## ITEM 9 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all legal or disciplinary events that are material to a client's or prospective client's evaluation of its advisory business or the integrity of its management. As of the date of this Brochure, neither SVBW nor its management personnel have been subject to, or involved in, any legal or disciplinary events required to be disclosed in this Brochure.

## ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

SVBW is not registered, and does not have an application pending to register, as a broker-dealer. SVBW had an affiliation with SVBIS, broker-dealer, primarily in the context of executing securities transactions in self-directed client accounts. As of February 22, 2024, SVBIS's status as a broker-dealer changed with the withdrawal of its FINRA membership. In response to SVBIS's withdrawal from membership, clients were afforded the opportunity to transfer their accounts to SVBW's new broker-dealer affiliate, First Citizens Investor Services, Inc. (FCIS). As noted in Item 4, some, *but not all*, investment adviser representatives of SVBW are also broker-dealer registered representatives of FCIS.

Neither SVBW nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, or a commodity trading

advisor.

SVBW is affiliated with SVB Asset Management (“SAM”), an investment adviser registered with the SEC. The types of advisory services and the client mandates that SVBW provides and offers are not expected to conflict or overlap materially with SAM’s services and mandates. Nevertheless, certain inherent conflicts of interest exist due to SVBW’s affiliation with SAMA, including conflicting investment strategies.

SVBW is also affiliated with the following entities: First Citizens Asset Management, Inc., First Citizens Investor Services, Inc., First Citizens Capital Securities, LLC, and First Citizens Institutional Asset Management, LLC.

Upon specific client request, Private Wealth Advisors may introduce clients to personnel of FCB to discuss bank products and services. Such introductions are not part of the investment advisory services SVBW provides to its clients. SVBW Private Wealth Advisors and their management personnel receive a subjective annual bonus at the discretion of their supervisors but not directly related to the sales of specific products/services. Due to SVBW’s relationship with FCB, SVBW has an indirect financial interest in making such introductions.

FCB provides a variety of support services to SVBW, including human resources, information technology, facilities, finance, legal, and administrative support. SVBW does not believe such support services create a material conflict of interest with clients. From time to time, Private Wealth Advisors introduce clients to FCB for banking products such as personal or business loans and other products, and FCB may also invest in or otherwise have an ownership interest in certain SVBW clients who are also clients of FCB. Clients who use FCB or other affiliated products or services will be subject to any costs associated with such service charged by FCB or its affiliates. SVBW, as a wholly owned subsidiary of FCB, has an indirect interest in the introduction of clients to FCB banking products and other affiliated business groups.

### Material Nonpublic Information

SVBW may be restricted in its investment decisions and activities on behalf of clients in various circumstances, including but not limited to applicable regulatory requirements and/or information held by SVBW and its affiliates. In addition, SVBW is not permitted to obtain or use material nonpublic information in effecting purchases and sales in securities transactions for client accounts.

For reputational or other reasons, SVBW may also limit an activity or transaction on behalf of a client account and may limit its exercise of rights on behalf of the client account. SVBW may restrict its activities on behalf of particular client accounts and not others. This limit of activity or transaction may include instances where:

1. SVBW or an affiliate is providing, or may provide, advice or services to an entity involved in such activity or transaction.
2. SVBW (or an affiliate) or another client account is or may be engaged in the same or a related transaction to that being considered on behalf of the client account.
3. SVBW (or an affiliate) or another client account has an interest in an entity involved in such activity or transaction; or
4. such activity or transaction or the exercise of rights on behalf of or in respect of the client account could affect SVBW or its affiliates or their respective activities.

### Sub-Advisory Services Affiliated Trustee

SVBW provides certain investment advisory services to FCB as a sub-advisor, providing discretionary investment management services over the assets for which FCB serves as a trustee, executor, or agent. These services are substantially similar to the services provided to other SVBW clients.

### IRA Rollovers

In appropriate circumstances, SVBW will recommend that a client roll over an account held in a former employer’s retirement plan or an outside IRA to an IRA managed by SVBW. If the client elects an IRA rollover or transfer subject to SVBW’s management, the account will be subject to SVBW’s advisory fee per the Client Agreement. A Private Wealth Advisor’s recommendation to roll over retirement plan or IRA assets into an IRA managed by SVBW presents a conflict of interest because such a recommendation creates an incentive to recommend the rollover for the purpose of generating additional compensation rather than solely based on the client’s needs. When SVBW provides investment advice or recommendations to a client regarding their retirement plan assets, IRA account or rollover IRA, SVBW is acting as an investment advice fiduciary within the meaning of Title I of ERISA. Further, when SVBW recommends a rollover or transfer to an IRA, the client is never under any obligation to complete a rollover or transfer or to have the rollover IRA assets managed by SVBW.

### Insurance

SVBW routinely provides insurance planning as part of a client’s financial plan. Some of SVBW’s supervised persons are licensed insurance agents in New York and other states. In providing advisory services, these supervised persons may recommend the purchase of insurance products. Neither SVBW nor its supervised persons will receive any commissions or additional income related to the sale of any such products.

### Sales of Fidelity-Issued Annuity

SVBW has partnered with Fidelity Investments Life Insurance Company to offer an annuity issued by Fidelity that utilizes our professional investment management of the underlying sub-accounts (our Managed Annuity Strategy). SVBW does not receive any special compensation or financial incentive from Fidelity, any of its affiliates, or any sub-account managers with respect to annuities issued by Fidelity.

As part of its fiduciary duties to clients, SVBW endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SVBW or its affiliates from Fidelity creates a potential conflict of interest and may indirectly influence SVBW’s choice, or recommendation to its clients, of non-transaction fee mutual funds not sponsored by Fidelity for investment in Fidelity Accounts.

SVBW does not receive any compensation for the recommendation of other investment advisers to its clients.

## ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

SVBW has adopted an Investment Adviser Code of Ethics (the “Code of Ethics”) in accordance with Rule 204A-1 of the Advisers Act. The Code of Ethics applies to those SVBW personnel engaged in offering and/or providing investment advisory services to clients

(also known as *supervised persons*). Among other things, the Code of Ethics requires supervised persons to comply with applicable securities laws, exhibit high ethical standards and place clients' interests first in accordance with SVBW's fiduciary duty to its clients. Supervised persons who fail to observe the Code of Ethics and related policies and procedures risk serious sanctions, including dismissal.

The Code of Ethics also sets forth SVBW's policies and procedures regarding personal securities transactions. These policies and procedures are designed to identify and prevent or mitigate actual conflicts of interest and to address such conflicts appropriately if they do occur. Supervised persons are required to submit periodic reports regarding personal securities transactions, holdings, and accounts. Supervised persons are required to report all securities transactions and holdings except for: U.S. government obligations; money market funds; bankers acceptances; bank CDs; 529 plans, commercial paper; high quality short-term debt instruments; shares issued by money market funds; open end mutual funds registered in the U.S. and shares issued by unit investment trusts that are exclusively invested in open-end mutual funds registered in the U.S. SVBW compliance is responsible for reviewing such employee reports.

In certain instances, SVBW employees may invest in the same securities that SVBW recommends to its clients. Such transactions are reviewed on a post-trade basis and if such transactions are permitted, it is because SVBW believes that such transactions do not present a conflict of interest considering the markets and liquidity for the securities traded.

The Code of Ethics also provides that supervised persons may not serve on the board of directors of any public company, including mutual fund boards of trustees, without prior approval. Employees must obtain prior written permission to serve as a trustee on a client account other than the account of a family member or to serve as a trustee or a board member for any charity or not-for-profit entity. Our employees do, in fact, serve in these capacities on various charitable, civic and community boards. If such service is approved, it is because we have determined it does not create any conflict of interest.

SVBW does not buy securities from, or sell securities to, its clients (i.e., SVBW does not engage in "principal transactions" with its clients). SVBW is not a registered broker-dealer and does not engage in "agency cross" trades between clients.

SVBW will provide a copy of the Code of Ethics free of charge to any client or prospective client upon request.

## ITEM 12 - BROKERAGE PRACTICES

Client assets are required to be maintained in an account with a "qualified custodian," as defined under the Advisers Act. Clients can request to custody their Account assets with any number of unaffiliated custodians who are qualified custodians; generally, SVBW's clients elect to use Fidelity Brokerage Services LLC ("**FBS**") and its affiliated custodian National Financial Services LLC ("**NFS**") or Charles Schwab & Co. ("**Schwab**"), each registered broker-dealers, as the qualified custodian. Clients enter into a separate agreement with the custodian(s) for these brokerage and custody services. SVBW is not affiliated with these broker dealers. These custodians hold client assets in a brokerage account and buy/sell securities upon SVBW's instruction. SVBW is also able to execute trades for client accounts through other brokers that are not the custodian of a particular client's Account assets.

In certain circumstances, Clients can request to enter into an arrangement to custody their Advisory Account assets with SVBW's parent company, FCB. Any such client would enter into a separate agreement with FCB for custody and brokerage services, and authorized SVBW personnel have the same access/limitations with respect to client Accounts held with FCB as with an unaffiliated custodian. Although FCB is an affiliate of SVBW, any potential conflict of interest has been minimized if clients choose to custody with FCB. FCB does not charge any separate custodial fees and SVBW is not incentivized to direct clients to FCB.

### Best Execution – How We Choose Broker Dealers

When it comes to executing transactions for client accounts, SVBW uses several different brokerage firms. SVBW utilizes independent brokers and dealers to purchase and sell securities for client accounts. In selecting brokers and dealers to effect client transactions, seek: (1) the prompt execution of client transactions while market conditions still favor the transaction and (2) the most favorable net prices reasonably obtainable taking into account the relevant circumstances. This is called "best execution".

Brokerage fees charged to clients for trades executed through clients' custodians and other broker-dealers vary. There are typically specific terms, fees, or commission schedules associated with trading with qualified custodians' affiliated broker-dealers. The trading desk considers applicable terms, fees and commissions imposed by the applicable custodians, and seeks to execute trades through the most cost-effective broker-dealer without sacrificing execution quality. As a result, the price and the commission rates at which trades are executed may vary with the executing broker and the applicable custodian.

Brokers identified and approved as, but not limited to, equity, fixed income, and alternative investments, e.g., private equity, trading partners are listed on SVBW's "Broker Approved List." When selecting a new broker, our investment team conducts a due diligence review of the broker to evaluate whether the broker is likely to provide best execution. We consider any of the following factors, among others:

- > The quality of services provided (including commissions, which may not be the lowest available, but which ordinarily will not be higher than the generally prevailing competitive range)
- > The extent of coverage of the various markets SVBW trades in
- > The broker's ability to communicate effectively
- > The broker's ability to execute and settle difficult trades
- > Whether the broker offers lower cost electronic trading
- > The broker's clearance and settlement efficiency
- > Whether or not the broker can handle SVBW's range of ordersizes
- > The broker's ability to maintain confidentiality and anonymity
- > The broker's reputation
- > The broker's stability and financial strength

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution. In making this assessment we consider the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. SVBW does not consider participation in the WAS program with Fidelity, (please see Item 14 Client Referrals and Other Compensation below) in choosing brokers and dealers to execute client transactions.

Certain custodians have programs that allow us to transact in mutual fund shares and other securities without transaction charges or at nominal transaction charges.



## Fixed-Income Securities Transactions

Fixed-income securities (*i.e.*, bonds) are generally traded in an over-the-counter market. In this market, bond dealers place bids and make offers to buy and sell bonds on a net basis with no stated commission plus accrued interest. Any commission or net markup is implied by the difference or “spread” between the price the dealer purchases the bond for and the price the dealer sells the bond at. A new issue bond is sold to purchasers at a net price with a fixed sales credit paid to the underwriter by the issuers of the bond.

Dealers identified and approved as fixed-income trading partners are listed on SVBW’s “Fixed-income Approved Dealer List.” Before SVBW selects a new fixed-income dealer, a member of the Fixed-income Department identifies the new dealer to be considered and provides due diligence material to the Chief Investment Officer for approval. Under the oversight of the investment policy committee, the Chief Investment Officer reviews this due diligence material and approves or rejects the selection of the dealer. We will generally consider any of the following factors:

- > The quality of services provided
- > The extent of coverage of the various markets SVBW trades in
- > The dealer’s ability to communicate effectively with us
- > The dealer’s ability to execute and settle difficult trades
- > Whether or not the dealer offers lower cost electronic trading
- > The dealer’s clearance and settlement efficiency
- > Whether or not the dealer can handle SVBW’s range of order sizes
- > The dealer’s ability to maintain confidentiality and anonymity
- > The reputation of the dealer
- > The stability and financial strength of the dealer

On an ongoing basis, the fixed-income team monitors our relationships with dealers on our “Fixed-income Approved Dealer List” and documents any issues involving a particular dealer.

## Research and Other Soft Dollar Benefits

While we seek best execution on behalf of those clients who do not direct us to trade with a particular broker-dealer, we may direct trades to certain broker-dealer affiliates of client custodians in return for investment research products and/or services that assist us with our investment decision-making process. Generally, the research that we receive is used to benefit all of our clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that particular client’s portfolio. Client commissions utilized to pay for brokerage and research are known as “soft dollars.” When clients do not direct us to trade through a particular broker-dealer, SVBW seeks to comply with Section 28(e) of the 1934 Act, which provides a “safe harbor” allowing investment advisers to choose broker-dealers to execute client trades at a commission rate that may be higher than lowest available commission for brokerage and research services if SVBW determines in good faith that: (1) the brokerage or research services fall within the definitions of eligible research services set forth in Section 28(e); (2) the brokerage or research services provide lawful and appropriate assistance in the investment decision-making process; and (3) the commission paid is reasonable in relation to the brokerage and research services provided. Our receipt of these services as well as our allocation of the benefit of these services may pose conflicts of interests further described below.

SVBW receives a benefit from commissions paid by clients because SVBW does not have to produce or pay for the research, product, or services. Further, SVBW may have an incentive to select a broker-dealer based on its interest in receiving research,

products, or services, rather than on our clients’ interest in receiving most favorable execution.

SVBW may receive computer software and related systems support from Fidelity because we provide investment services to the clients who have selected these custodians. These tools allow us to better monitor client accounts maintained with these custodians and provides some benefits to us that do not have direct benefits for the clients. We always strive to put the interests of our clients first but clients should be aware that our receipt of these economic benefits from a broker-dealer creates a conflict of interest since these benefits (a) may influence our choice of custodian, in the occasional case that we would recommend or choose a custodian, or (b) may influence our choice of broker-dealer to trade client accounts, over another custodian or broker-dealer that does not furnish similar software, systems support, or services. Also, SVBW does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the account generates.

As discussed below in Item 14, SVBW participates in the Fidelity Wealth Advisor Solutions® Program (the “**WAS Program**”), which provides client referrals to SVBW for which SVBW pays a fee to Fidelity. As a result of its participation in the WAS Program, SVBW may have a potential conflict of interest with respect to its decision to use certain affiliates of Fidelity, including FBS for execution, custody and clearing for certain client accounts. SVBW may have a potential incentive to select or recommend the use of FBS and its affiliates to its advisory clients based on our interest in receiving client referrals, rather than on our clients’ interest in receiving most favorable execution, whether or not those clients were referred to SVBW as part of the WAS Program.

## Client Directed Brokerage

Certain clients may direct SVBW to use a particular broker or dealer who has an existing relationship with or provides custodial or other services to a client. SVBW requires any directed brokerage instructions to be in writing. Directed brokerage may cost clients more money. Before choosing to enter into a directed brokerage arrangement, clients should be aware of the following disadvantages:

- > Directed brokerage clients may pay higher commission rates than those paid by other clients, may receive less favorable trade executions and may not obtain best execution on their transactions.
- > Directed brokerage accounts may not be able to participate in aggregated or block transactions with other clients. This may preclude directed brokerage accounts from obtaining more favorable terms that might be available from aggregated transactions.
- > If SVBW is placing orders in the same security for both directed brokerage clients and clients that do not direct, SVBW may place orders for directed brokerage clients after it has placed orders for other clients.

As a registered investment adviser, we have a duty of best execution to our clients. Accordingly, we retain the right to decline client requests for directed brokerage if, in our sole discretion, we determine it would result in additional operational difficulties or violate restrictions imposed by other broker-dealers.

## Trade Aggregation & Order Handling

As discussed in Item 4, SVBW manages both customized portfolios and specialized strategies. Clients in our specialized strategies typically hold the same securities while clients with customized

portfolios may hold the same securities. SVBW may block or aggregate orders when buying and selling securities held in our specialized strategies and distribute or allocate the shares pro-rata to the respective clients' Accounts. We may block or aggregate orders with each custodian, resulting in several block trades in one security at one time. This practice may result in more favorable pricing than would occur with individual trades. When securities are distributed to more than one client, the execution price will be the average of the price of the securities within each block. This will result in the same trade price for all clients within the block, but there can be differences between accounts due to commission charges, which often are related to the number of shares allocated. In addition, prices may vary between block trades executed with different custodian/broker-dealers.

In certain situations, SVBW may aggregate or block trades in a particular security, on behalf of a group of client Accounts held with different custodians in order to provide more favorable executions. In such situations, SVBW may trade away from the clients' respective custodians and the clients included in the block will be charged by the executing broker(s). Clients may or may not see a trading cost associated with such trade on their statement; generally, when SVBW is "trading away" from the clients' custodians, the trading costs will be reflected in the per share price of the transaction. Accordingly, clients may see transactions on their custodian statement without specific trading costs when the transaction was traded away, where some transactions may reflect a commission expense for execution with the applicable custodian/broker-dealer.

Securities purchased or sold in a block transaction are allocated pro rata, when possible, to the participating client accounts in proportion to the size of the order for their respective accounts. In all cases, we distribute the securities equitably across the accounts. If circumstances are such that it is impractical for us to allocate a small number of securities across accounts, then we may allocate in a manner that we reasonably believe is fair to all clients.

Generally, we place trades on a client-by-client basis for our customized portfolios unless we decide to purchase or sell the same securities for several clients at approximately the same time. In these instances, SVBW may, but is not obligated to, block these orders as described above.

A principal transaction, by definition, involves a broker-dealer buying or selling from its own inventory to clients. Additionally, we do not engage in "agency cross" trades between clients, i.e., acting on behalf of our client as well as the party on the other side of the transaction.

## ITEM 13 - REVIEW OF ACCOUNTS

We review client accounts on at least an annual basis as part of our standard advisory services, except in the limited situations when we provide (1) non-discretionary advice for assets under our advisement, or (2) financial planning or investment consulting services on a one-time basis, i.e., not an ongoing investment advisory relationship for which we provide continuing advice. These reviews can include, among other things, a review of overall performance of investments compared to the client's stated objectives, a review of asset allocation changes in the portfolio, a determination of actual and expected liquidity needs of the Account, a review for cash flow reinvestment planning, and/or a comprehensive review of a client's overall asset allocation, liquidity position and performance that takes into account both client assets managed by SVBW and client assets held in private or illiquid

investments with third-party custodians. Account reviews can be triggered based on certain events, including changes in a client's liquidity needs, security offerings in the marketplace, and/or certain market events, among others. A review might also occur if the performance of a client's portfolio drifts more than a certain percentage from the chosen benchmark(s) for a given portfolio. Changes in a client's financial circumstances, investment objectives or other information may also trigger an investment review if Private Wealth Advisors are apprised of such changes by their clients. Accounts are reviewed by a client's Private Wealth Advisor(s) responsible for managing the client's portfolio.

## Reports Provided to Clients

Upon request, SVBW will provide clients with quarterly reports for their Advisory Account(s) containing pertinent information related to their managed assets and the services SVBW is providing. Such quarterly reports will generally include a list of holdings and a summary of inflows and outflows, performance, and asset allocation breakdown for each Account, in addition to other relevant data.

## ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

### Cash Allocations or Balances and Cash Sweep

Clients who custody their Account(s) with Fidelity have access to certain Fidelity sponsored cash sweep options per each client's separate custodial agreement with Fidelity. As discussed in Item 5, SVBW's advisory fee is typically applied to all assets in a client's Account including allocations to cash and cash equivalents, which include funds allocated to cash sweeps.

### Intra-Company Referrals

FCB refers clients to SVBW and vice-versa. SVBW ensures that its services are suitable for clients referred to it by FCB. Although SVBW believes that clients value the opportunity to have access to FCB's products and services, such referrals nevertheless present a conflict of interest because SVBW Private Wealth Advisors have a direct financial incentive to refer clients to FCB for such banking products and services. That is, Private Wealth Advisors receive direct payment for referring clients to FCB for banking, lending, and deposit products which is calculated and paid strictly from internal sources. In no circumstance does a client pay additional fees or expenses beyond the customary charges for the services chosen. When warranted by the totality of the client relationship, a client sometimes receives more favorable rates for the banking products/services purchased. In addition to making referrals to FCB, Private Wealth Advisors are eligible for additional compensation based on other factors as well, including, but not limited to, achieving certain levels of production, sourcing new FCB relationships, and training new advisors.

SVBW mitigates the conflicts of interest that may arise from intra-company referrals with transparency, client consent, applying the Best Interest standard, providing alternative options and robust compliance and monitoring framework.

### Referral Arrangements with Unaffiliated Third Parties

From time to time, SVBW enters into agreements with certain unaffiliated third parties ("Solicitors") to refer prospective clients to us in accordance with Rule 206(4)-1 of the Advisers Act. Under these arrangements, SVBW generally pays Solicitors when a

referred prospective client becomes an investment advisory client of SVBW. SVBW generally pays the Solicitor a specified portion of the advisory fee it receives from each referred client relating to such client's Advisory Account, pursuant to the terms of the agreement between SVBW and any such Solicitor.

SVBW's participation in Fidelity Wealth Advisor Solutions® Program (the "**WAS Program**"), has changed as of March 27, 2023. Although SVBW retains clients acquired through the program, SVBW has ceased active participation and will no longer receive new referrals.

## ITEM 15 - CUSTODY

As described in Item 12, except as described below, SVBW does not act as custodian for Advisory Account assets, meaning that it does not directly hold or have physical possession of client funds or securities, with limited exception in trust accounts. All advisory client funds and securities are required to be held with a "qualified custodian," as defined under the Advisers Act. Clients enter into a separate agreement with the qualified custodian for the assets in their Account(s) and are responsible for any fees or costs charged by their custodian which are separate and apart from the advisory fee SVBW charges to clients. In certain circumstances, SVBW is deemed to have custody for purposes of amended Rule 206(4)-2 of the Advisers Act for one or more of the following reasons:

- > Assets managed by SVBW can be custodied with its banking affiliate, FCB;
- > SVBW is authorized by its clients to debit our advisory fees directly from client Accounts;
- > FCB has been named as a trustee of a trust Account which we manage; and
- > SVBW has authorization to direct payments from client Accounts held by a certain custodian.

Because SVBW is deemed to have custody of the assets held in certain accounts, the SEC requires an annual surprise exam to be conducted by an unaffiliated CPA firm. Where SVBW is deemed to have custody of client Account assets, those clients receive custodial statements detailing all transactions in their applicable Accounts (including contributions and withdrawals), fees and expenses charged to the Accounts, and the value of the Accounts at both the beginning and the end of each reporting period. Additionally, the custodian will produce a year-end summary and related tax reporting documents, as applicable.

Clients should always carefully review all custodial statements for accuracy.

## ITEM 16 - INVESTMENT DISCRETION

With respect to certain investment advisory services, SVBW accepts discretionary investment authority as delegated by clients via a limited power of attorney in the applicable Client Agreement. Discretionary authority means that SVBW may exercise investment discretion over a client's Account to effect transactions for the client without first having to seek the client's approval. The Client Agreement provides a power-of-attorney for the limited purpose of providing SVBW with the full authority to purchase, sell or otherwise effect transactions involving the assets in the client's Account. SVBW is not required to include a balance sheet in this Brochure because SVBW does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

discretionary Account(s). SVBW's Wealth Management Agreement allows clients, in writing, to direct SVBW to purchase or sell individual securities. Additionally, clients may impose custom restrictions or limitations on their accounts, e.g., dictating certain securities or sectors to be excluded or specifying particular securities to hold. We accommodate these personalized requests to the extent that they align with the client's overall investment strategy and SVBW's investment capabilities. SVBW ensures that all client-imposed restrictions are documented, clearly understood, and incorporated into the investment management process, maintaining regular communication with the client to review and adjust these constraints as necessary to align with their evolving investment goals and market conditions.

Where SVBW has been delegated discretionary authority by a client, such discretionary authority extends to the following responsibilities: the amount and type of securities to be purchased or sold for a Client's Account(s), the timing of transactions, and, as applicable, the third-party Investment Manager(s) and Strategy or Strategies to be utilized or discontinued for a client's Account.

## ITEM 17 - VOTING CLIENT SECURITIES

For those Accounts where clients have delegated, and SVBW has accepted, proxy voting authority, SVBW is responsible for handling the voting of all proxies related to securities held in such client Accounts. SVBW employs a third-party proxy voting service, Broadridge Investor Communication Solutions, Inc. ("**Broadridge**"), to vote client proxies in accordance with one of its two adopted standard proxy voting guidelines of Glass Lewis. Clients may choose between U.S. Proxy Voting Policy Guidelines or Socially Responsible Investing Proxy Voting Guidelines.

SVBW may, but is not required to, authorize Investment Managers to vote any proxies relating to the sub-advised assets in accordance with the Investment Manager's proxy voting policy.

Conflicts can arise when SVBW, an external Investment Manager, or any of their respective affiliates or employees has any financial, business, or personal relationship with the issuer of a proxy proposal for a security held in a client's Account. To avoid potential conflicts of interest, SVBW would vote proxies in accordance with one of our predetermined guidelines. In limited situations, we may consider voting under our own initiative for a particular issue, if we believe that it is in the best interest of the client. Before we reclaim proxy voting authority from Broadridge, we will determine and confirm that no potential conflict of interest exists.

To obtain information regarding proxy voting standard guidelines or how specific proxies were voted, please submit a request to [compliance.wealth@svb.com](mailto:compliance.wealth@svb.com).

## Class Actions and Legal Proceedings

SVBW will not advise or take any action for clients with respect to any legal matters (including bankruptcies or class actions) relating to securities or other property held in client accounts. Clients retain the right and obligation to act with respect to any legal proceedings relating to securities or other property held in their accounts.

## ITEM 18 - FINANCIAL INFORMATION

SVBW is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients.

SVBW has not been the subject of a bankruptcy petition at any time during the past ten years.