



## **Pacific Capital Firm Brochure**

(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Pacific Capital. If you have any questions about the contents of this brochure, please contact us at 844-777-8777. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Pacific Capital (IARD#159294) is available on the firm website at [www.pacificcapital.com](http://www.pacificcapital.com) and also the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

This update is in accordance with the required annual update for investment advisors. Since the last filing of this brochure on February 1, 2024, the following has been updated:

- Item 4 has been updated to reflect an updated asset under management calculation.
- Item 5 fee schedule updated.
- Item 7 account minimum section updated.

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## Item 4 Advisory Business

### *About the Firm*

Pacific Capital Wealth Advisors, Inc., which does business as Pacific Capital, is a registered investment advisor headquartered in Corona, California. We have been operating as an investment advisory firm since 2011. Our Owner and President is Chad T. Willardson.

### *Description of Advisory Services*

We provide financial planning services and ongoing investment supervisory services to Clients. We believe that disciplined asset management and portfolio analysis is critical in order to achieve your desired goals and objectives. We precisely design, customize, manage and monitor portfolios while making the process transparent to you.

### *Financial Planning Services*

We offer financial planning services which we refer to as our Financial Life Inspection®.

The Financial Life Inspection® covers 100 checkpoints including, but not limited to comprehensive savings and retirement planning, income analysis, full portfolio investment review, risk analysis, college planning report, tax optimization review, real estate review, legacy planning and asset protection review, debt analysis and access to a secure online document vault.

We also offer continuing financial advice and guidance after the Financial Life Inspection® is delivered for all clients who engage in our investment management services.

### *ERISA Plan Services*

Pacific Capital provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. Pacific Capital may act as a 3(21) advisor:

**Limited Scope ERISA 3(21) Fiduciary.** Pacific Capital may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions. As an investment advisor Pacific Capital has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Pacific Capital can help the plan sponsor delegate liability by following a diligent process.

#### 1. Fiduciary Services are:

- Provide investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. Pacific Capital acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an Investment Strategy Guide ("ISG"). The ISG establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the ISG.
- Provide investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

#### 2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Pacific Capital's assistance in education of the Plan

participants shall be consistent with and within the scope of the Department of Labor’s definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Pacific Capital is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Pacific Capital will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.

- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Pacific Capital may provide these services or, alternatively, may arrange for the Plan’s other providers to offer these services, as agreed upon between Pacific Capital and Client.

3. Pacific Capital has no responsibility to provide services related to the following types of assets (“Excluded Assets”):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to Pacific Capital on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

#### *Assets Held Away*

We use a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Pacific Capital will review the current account allocations. When deemed necessary, Pacific Capital will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

#### *Investment Supervisory Services*

Our investment supervisory services include providing you with ongoing investment advice based upon your investment objectives and risk tolerance. This information is derived through personal discussions during a discovery process in which goals and objectives based on a Client’s particular circumstances are established. These services are offered on a discretionary basis, meaning that we may elect to purchase or sell securities without your prior consent. You may place reasonable restrictions on the type of securities purchased for your account.

Pacific Capital has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$525,874,855	\$0	April 15, 2024

Clients will retain individual ownership of all securities. We do not sponsor or participate in a wrap fee program.

## **Item 5 Costs and Compensation**

### *Costs for Financial Planning Services*

Financial Life Inspection®

The Financial Life Inspection® is offered for a flat fee of \$ \$9,600.00, this includes 3 months of strategy, consulting, financial planning, and help with implementation of recommendations from the time payment is received.

Fees for the Financial Life Inspection® are due upon signing the agreement. The Financial Life Inspection® will be completed within 2 weeks, or no greater than 90 days, of receiving all necessary information and payment from the Client. Clients may cancel within five (5) business days of signing the agreement for a full refund and with no obligation. If the Client cancels after the initial five (5) business days, they may cancel by providing written notice to us and will be provided a pro-rata refund based on the percentage of work completed.

*If the Client and Pacific Capital agree to investment management services, the Client will continue to receive ongoing financial advice and guidance as needed.*

#### *ERISA Plan Services*

The annual fees are based on the market value of the Included Assets and will not exceed 1%. The annual fee is negotiable and will be charged as a percentage of the Included Assets. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Pacific Capital shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

The fee schedule, which includes compensation of Pacific Capital for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Pacific Capital does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Pacific Capital will disclose this compensation, the services rendered, and the payer of compensation. Pacific Capital will offset the compensation against the fees agreed upon under the Agreement.

#### *Assets Held Away*

The annual cost of our services for assets held away is based on account size and is paid quarterly in advance. Below is the schedule used to determine your annual cost.

ASSET VALUE	ANNUAL COST
\$0 to \$9,999,999	1.50% annually
\$10,000,000 to \$24,999,999	1.25% annually
\$25,000,000 to \$49,999,999	1.125% annually
\$50,000,000 to \$99,999,999	1.00% annually
Above \$100,000,000	Customized/Negotiable

Upon receiving Client's written authorization, costs will be automatically deducted from the account, unless otherwise instructed. Clients are provided a quarterly statement from the custodian of their assets reflecting the deduction of the advisory cost.

No fee adjustment will be made for Account deposits and withdrawals during a billing period.

In certain circumstances, advisory costs and account minimums may be negotiable based upon prior relationships as well as related account holdings. The costs charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory Client. The advisory fees noted above do not include the investment management fees charged by mutual fund or ETF providers.

All advisory costs are charged, in advance, at the start of each calendar quarter, based upon the account value of the assets in the portfolio as of the last business day of the prior quarter. If margin is utilized, the fees will be billed based on the gross asset value of the account. The initial cost will be payable when the account is established, prorated for the first partial quarter, if applicable. Pacific Capital may aggregate related Client accounts for purposes of calculating the advisory fees applicable to each Client. Pacific Capital also reserves the right to reduce or waive our fees for employee or

family accounts and certain Client accounts.

The Client may make additions to or withdrawals from the account at any time. Withdrawals are subject to standard securities settlement and the creation of cash may take a few business days. The Client must promptly notify us of any contributions or withdrawals as such may have an impact upon the management of the account and may adversely affect the performance of the account.

### *Costs for Investment Supervisory Services*

The annual cost of our investment services is based on account size and is paid quarterly in advance. Below is the schedule used to determine your annual cost.

ASSET VALUE	ANNUAL COST
\$10,000,000 to \$24,999,999	1.25% annually
\$25,000,000 to \$49,999,999	1.125% annually
\$50,000,000 to \$99,999,999	1.00% annually
Above \$100,000,000	Customized/Negotiable

Upon receiving Client's written authorization, costs will be automatically deducted from the account, unless otherwise instructed. Clients are provided a quarterly statement from the custodian of their assets reflecting the deduction of the advisory cost.

Although some of our advisory and financial planning clients choose to utilize margin loans from their Schwab accounts, we do not recommend using margin for the purpose of increasing a clients' investment account values. Discussing debt and debt pay down plans is part of our financial planning process with clients. Clients with a Charles Schwab account have the option to borrow money from Schwab with their investment account as collateral. Should a client make a deposit into an existing Schwab account the has a margin loan balance, we will ensure that there is clarity of the intention of the client in terms of whether those monies are used to pay down the margin loan, or to be invested.

In certain circumstances, advisory costs and account minimums may be negotiable based upon prior relationships as well as related account holdings. The costs charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory Client. The advisory fees noted above do not include the investment management fees charged by mutual fund or ETF providers.

All advisory costs are charged, in advance, at the start of each calendar quarter, based upon the account value of the assets in the portfolio as of the last business day of the prior quarter. If margin is utilized, the fees will be billed based on the gross invested asset value of the account. The initial cost will be payable when the account is established, prorated for the first partial quarter, if applicable. Pacific Capital may aggregate related Client accounts for the purpose of calculating the advisory fees applicable to each Client. Pacific Capital also reserves the right to reduce or waive our fees for employee or family accounts and certain Client accounts.

Additions made to the account during the quarter, after billing has been completed, will be billed at the start of the next quarter, in arrears. The fee will be pro-rated by day, based on the number of days the assets were being managed for the previous quarter, and added to the standard billing amount for the following quarter.

The Client may make additions to or withdrawals from the account at any time. Withdrawals are subject to standard securities settlement and the creation of cash may take a few business days. The Client must promptly notify us of any contributions or withdrawals as such may have an impact upon the management of the account and may adversely affect the performance of the account.

### *Important Information about Potential Conflicts of Interest*

You will pay ticket charges to Charles Schwab for trades done in your account. You may also incur charges for other account services provided by the custodian not directly related to the execution and clearing of transactions including, but not limited to, interest charges on margin loans, and legal costs or costs for transfers of securities.

## *Termination*

Either party may terminate the relationship at any time. Pacific Capital will refund any prepaid, unearned advisory costs based on the effective date of termination. Upon termination of the relationship, we will send the Client a prorated refund of unearned advisory costs using the following formula:  $(\text{Costs Paid}) \times (\text{Days Remaining in Quarter}) / (\text{Total Number of Days in Quarter})$ .

## **Item 6 Performance-Based Costs and Side-by-Side Management**

We do not accept or charge performance-based costs.

## **Item 7 Types of Clients**

Our Clientele is typically high net worth families, business owners, retirees and retirement plan accounts.

We have established a minimum value of \$10,000,000 of investible assets for accounts held directly under our management. Accounts below this minimum may be accepted on an individual basis at our discretion.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

We may utilize the following methods of security analysis:

- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical - (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical - (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

We may utilize the following investment strategies when implementing investment advice given to Clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy will be profitable or equal any specific performance level(s).

**Trading on Margin:** In a cash account, the risk is limited to the amount of money that has been invested. In a margin account, risk includes the amount of money invested plus the amount that has been loaned. As market conditions fluctuate, the value of marginable securities will also fluctuate, causing a change in the overall account balance and debt ratio. As a result, if the value of the securities held in a margin account depreciates, the Client will be required to deposit additional cash or make full payment of the margin loan to bring account back up to maintenance levels. Clients who cannot comply with such a margin call may be sold out or bought in by the firm.

Our methods of analysis and investment strategies do not present any significant or unusual risks.

Our primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.



Currently, we primarily invest Client investment assets among various individual equity (stocks), debt (bonds) and fixed income securities, closed-end mutual funds, exchange traded funds and preferred stock on a discretionary basis, consistent with your designated objectives.

## **Item 9 Disciplinary Information**

None of our representatives have any material disciplinary information.

## **Item 10 Other Financial Industry Activities and Affiliations**

Our investment advisor representatives hold insurance licenses and can offer life, health, disability and long-term care insurance. This creates a conflict of interest in that your Advisor may receive compensation for providing investment advice as well as for selling insurance products recommended by a financial plan. Clients are under no obligation to purchase any insurance products from any of our associates. If they do so, there will be compensation earned through the sale of the insurance product and this may create a conflict of interest.

These activities create a conflict of interest between our interests and your interests. You are under no obligation to act upon any of our recommendations. If you elect to act on any of the recommendations, you are under no obligation to effect the transaction through us. We must disclose any potential or actual conflicts of interest when dealing with Clients. We are subject to the following specific obligations when dealing with Clients:

- The duty to have a reasonable, independent basis for its investment advice;
- The duty to ensure that investment advice is suitable to meeting the Client's individual objectives, needs, and circumstances; and,
- A duty to be loyal to Clients.

We feel that all material conflicts of interest under CCR 260.238 (k) (n) are disclosed regarding Pacific Capital, its representatives, or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Associated persons may buy or sell for their own accounts the same securities recommended to you. They may do so at the same time as they, or a related person, buy or sell the same securities for their own account. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to you. We request information about all of our associate's transactions and monitor them for any wrongdoing.

Associated persons are aware of the rules regarding material non-public information and insider trading. Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which the Advisor does not deem appropriate to buy or sell for Clients.

We have adopted a Code of Ethics to instruct its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Firm and our personnel owe a duty of loyalty, fairness and good faith to their Clients, and the obligation to adhere not only to the specific provisions of the code but also to the general principles that guide the Code. The Code covers a range of topics including general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. We will provide a copy of the Code to any Client or prospective Client upon request.

## **Item 12 Brokerage Practices**

### **The Custodian and Brokers We Use**

We do not maintain custody of your assets that we manage (although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (*see Item 15 Custody, below*). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We request that our Clients use Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we request that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you. Not all advisors require their Clients to use a

particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account, as described in the next paragraph.

### **How We Select Brokers/Custodians**

We seek to select a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- combination of transaction execution services along with asset custody services (generally without a separate cost for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other costs, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and our other Clients
- availability of other products and services that benefit us, as discussed below (*see “Products and Services Available to Us from Schwab”*)

### **Your Custody and Brokerage Costs**

For our Clients’ accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other costs on trades that it executes or that settle into your Schwab account.

In addition to commissions Schwab charges you a flat dollar amount as a “prime broker” or “trade away” cost for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These costs are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

### **Products and Services Available to Us from Schwab**

Schwab Advisor Services is Schwab’s business serving independent investment advisory firms like us. They provide us and our Clients with access to its institutional brokerage –trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our Clients’ accounts while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as we keep a total of at least \$10 million of our Clients’ assets in accounts at Schwab. Here is a more detailed description of Schwab’s support services:

**Services that Benefit You.** Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. Schwab’s services described in this paragraph generally benefit you and your account.

**Services that May Not Directly Benefit You.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our Clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to Client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple Client accounts;
- provide pricing and other market data;
- facilitate payment of our costs from our Clients' accounts; and
- assist with back-office functions, recordkeeping and Client reporting.

**Services that Generally Benefit Only Us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

**Schwab may provide some of these services itself.** In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its costs for some of these services or pay all or a part of a third party's costs. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

We will utilize the resources available to us through the Schwab Platform.

### **Our Interest in Schwab's Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as we keep a total of at least \$10 million of Client assets in accounts at Schwab. The \$10 million minimum may give us an incentive to request that you maintain your account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest.

We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our Clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above – see "How We Select Brokers/Custodians" and not Schwab's services that benefit only us.

We may "bunch" buy or sell orders for two or more Clients into a single large order, and place the bunched order with a single broker or dealer for execution. We are not obligated to place all transactions on a "bunched" basis. When determining whether to "bunch" orders, we decide this as to what course of action is likely to be fair and in the best interests of the relevant accounts on an overall basis. That is, we seek to avoid putting any Client account at an advantage or disadvantage compared to our other Client accounts that are buying or selling the same security.

Block trading is permitted where the following conditions are met:

Orders of two or more Clients may be bunched only if we have determined, on an individual basis that the securities order is:

1. In the best interests of each Client participating in the order;
2. Consistent with our duty to obtain best execution; and
3. Consistent with the terms of the investment Advisory agreement of each participating Client.

When conducting a block trade, we will determine the accounts that will participate, and the specific allocations in advance of the transaction. If the entire order is filled, you will receive your portion of the allocation specified on the trade ticket. All allocations are prior to the close of business on trade date. Client accounts participating in the transaction will receive the weighted average price of the security and will incur a pro-rata share of the transaction cost.

If part of the order is unfilled, the allocation is done on a pro-rata basis.

The books and records of the Firm separately reflect, for each Client for whom an order is bunched, the securities held by, purchased, and sold for that Client.

### **Item 13      Review of Accounts**

All advisory accounts are reviewed at least quarterly together by our investment advisor representatives, Chad Willardson, President and Blake Wilkinson, Director of Investment Strategy. Other factors may determine a need for more frequent internal account reviews such as contributions and withdrawals of cash from an account, significant geo-political events, or a Client request. Advisory Clients receive trade confirmations of each transaction from the custodian of their assets. Clients also receive statements of account activity at least quarterly, or any month there is activity in their account. These are in the form of brokerage account statements.

### **Item 14      Client Referrals and Other Compensation**

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their Clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our Clients.

In addition, we may, from time to time, enter into agreements with individuals and organizations, which may be affiliated or unaffiliated with our firm, that refer Clients to us in exchange for compensation. All such agreements will be in writing and comply with the requirements of Federal or State regulation. If a Client is introduced to us by a referring party, we may pay that referring party a fee. While the specific terms of each agreement may differ, generally, the compensation will be based upon our engagement of new Clients and is calculated using a varying percentage of the fees paid to us by such Clients. Any such fee shall be paid solely from our advisory fee, and shall not result in any additional charge to the Client.

Each prospective Client who is referred to us under such an arrangement will receive a copy of this brochure and a separate written disclosure document disclosing the nature of the relationship between the referring party and us and the amount of compensation that will be paid by us to the referring party. The referring party is required to obtain the Client's signature acknowledging receipt of our disclosure brochure and the referring party's written disclosure statement.

### **Item 15      Custody**

Under government regulations, we are deemed to have custody of your assets if you authorize us to instruct Schwab to deduct our advisory costs directly from your account. Schwab maintains actual custody of your assets. You must give us this written permission before we have authority to deduct your advisory fees. We will send you notice of the fee that we intend to deduct at the same time we request our fees from Schwab.

You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them. These statements show the deduction of the advisory fee. We also urge you to compare Schwab's account statements to the periodic account statements you will receive from us.

Pacific Capital is also deemed to have limited custody due to its Third-Party Standing Letters of Authorization ("SLOA"). Pacific Capital and its qualified custodian meet the following seven (7) conditions in order to avoid maintaining full custody and be subject to the surprise exam requirement:

1. The Client provides an instruction to the qualified custodian, in writing, that includes the Client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The Client authorizes Pacific Capital, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The Client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the Client's authorization and provides a transfer of funds notice to the Client promptly after each transfer.
4. The Client has the ability to terminate or change the instruction to the Client's qualified custodian.

5. Pacific Capital has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client's instruction.
6. Pacific Capital maintains records showing that the third party is not a related party nor located at the same address as Pacific Capital.
7. The Client's qualified custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

#### **Item 16      Investment Discretion**

We request that you give us discretionary authority to manage your accounts by signing a written power of attorney. You may place reasonable restrictions on the types of securities or on specific securities that we may purchase or sell.

#### **Item 17      Voting Client Securities**

We do not accept authority to vote proxies. That authority is reserved to our Clients unless you make other arrangements with the custodian of your assets.

#### **Item 18      Financial Information**

We have no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you.



**Chad T. Willardson, AWMA<sup>®</sup>, CRPC<sup>®</sup>, CFF**

1881 California Avenue, Suite 101, Corona, CA 92881

Phone: 844-777-8777

Date: April 25, 2024

This brochure supplement provides information about Chad T. Willardson and supplements the Pacific Capital's brochure. You should have received a copy of that brochure. Please contact Pacific Capital if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Chad T. Willardson (CRD #4670940) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

# Supervised Person Brochure

## Principal Executive Officer

**Chad T. Willardson, AWMA<sup>®</sup>, CRPC<sup>®</sup>**

- Year of birth: 1979

## Item 2 Educational Background and Business Experience

Chad T. Willardson, our President and Chief Compliance Officer, is also a Chartered Retirement Planning Counselor and Accredited Wealth Management Advisor. Prior to founding Pacific Capital, Mr. Willardson was a Wealth Management Advisor and PIA Portfolio Manager for Merrill Lynch. He graduated from Brigham Young University with a bachelor's degree in economics and a minor in business management. While at BYU, he also spent time for an internship working directly with the Portfolio Manager at a \$10 Billion mutual fund company. During his nearly 9 years at Merrill Lynch, Chad was part of the Chairman's Circle, President's Club, and Executive Club. Chad completed the CFP education program through Boston University in 2007. In 2010, Chad was named a member of the Regional Peer 2 Peer Leadership Faculty at Merrill Lynch in his community and led his team to earn the "Elite Wealth Management Team of the Year" in their region. Chad left Merrill Lynch in 2011 with team members to form Pacific Capital. In addition to Pacific Capital, from 2012-2014, he was with Pursche Kaplan Sterling as a registered representative. From April 2014 to June 2020, Mr. Willardson was a registered representative with Gradient Securities, LLC. Chad currently serves his community as the Corona City Treasurer. As a former Eagle Scout, he also spent five years volunteering as a Scout Master for the Boy Scouts of America in Corona. Chad served as a translator for the American Embassy in Lithuania and participated in humanitarian aid programs in the Baltic States as a church service missionary. Chad was also named a 5-Star Professional Wealth Manager in 2012, 2013, 2014 and 2015. He is an Orange County native and now lives in Corona with his wife and five children.

### Professional Designations

The College for Financial Planning<sup>®</sup> awards the CHARTERED RETIREMENT PLANNING COUNSELOR<sup>SM</sup> AND CRPC<sup>®</sup> designation to students who successfully complete the program, pass the final examination, and comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. The program focuses on the pre- and post-retirement needs of individuals. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed. Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the CRPC<sup>®</sup> designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the CRPC<sup>®</sup> designation by completing 16 hours of continuing education, reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self-disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and paying a biennial renewal fee of \$75.

Since May of 2011, Chad has also been a Certified Professional by the National Ethics Association. The National Ethics Association helps consumers find business professionals who uphold the highest standards of integrity and excellence. Membership requires annual background checks, license certifications, continuing education, and regulatory verifications, etc.

Accredited Wealth Management Advisor<sup>SM</sup> or AWMA<sup>®</sup>

Individuals who hold the AWMA<sup>®</sup> designation have completed a course of study encompassing wealth strategies, equity-based compensation plans, tax reduction alternatives, and asset protection alternatives. Additionally, individuals must pass an end-of-course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations.

All designees have agreed to adhere to Standards of Professional Conduct and are subject to a disciplinary process.

Designees renew their designation every two-years by completing 16 hours of continuing education, reaffirming adherence to the Standards of Professional Conduct and complying with self-disclosure requirements.

Certified Financial Fiduciary® or (CFF)

CFF® is a designation issued by the National Association of Certified Financial Fiduciaries. Individuals who hold the CFF® designation must either have 10 years of relevant work experience or 5 years of experience with a relevant bachelor's or graduate degree. Candidate must also complete the applicant profile, disclosure questionnaire and pass a criminal background check. The candidate must complete in-person training classes and pass the final exam. Every year individuals must renew their right to continue using the CFF® designation by completing 10 hours of continuing education.

### **Item 3 Disciplinary Information**

None of our associates are subject to any material disciplinary information.

### **Item 4 Other Business Activities**

Our Advisory Representatives have other business activities as described in item 10 of our Disclosure Brochure which is attached.

### **Item 5 Additional Compensation**

We have nothing to disclose about additional compensation.

### **Item 6 Supervision**

Chad T. Willardson is the President and Chief Compliance Officer of Pacific Capital. He supervises the associates through monitoring their work, enforcing the written supervisory procedures and confirming adherence to the code of ethics. Mr. Willardson may be reached at (844) 777-8777 if you have any concerns.