



SWBC Investment Company

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VAULT PROGRAM BROCHURE

Form ADV, Part 2A

March 30, 2021

This brochure (the "Brochure") provides information about the qualifications and business practices of SWBC Investment Company in connection with the SWBC Vault Program. If you have any questions about the contents of this Brochure, contact us at 210-376-3279 or invcompliance@swbc.com. 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 SWBC Investment Company is available on the SEC's website at www.adviserinfo.sec.gov.

SWBC Investment Company is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

This Item 2 discloses material changes that have been made to this Brochure since the last annual update filed March 30, 2020.

Since our last annual update of this Brochure filed March 30, 2020, we have updated this Form ADV Part 2A for grammar, style and readability. The only material change we have made to a business practice is with regard to billing, inclusion of additional services and approved custodians. Previously, we had billed clients prospectively. Going forward, we will bill in advance or arrears subject to program type, all programs are subject to prorated calculations for deposits or withdrawals transacted within a quarter.

SWBC is also setup to serve client through multiple custodians and products offerings such as sub-advisory services and private placement offerings. SWBC serves as subadviser to the AlphaCentric Municipal Opportunities Fund (the "Fund"), a series under the Mutual Fund Series Trust (the "Trust"), an open-end investment company registered with the Securities and Exchange Commission (the "SEC") under the Investment Company Act of 1940, as amended (the "1940 Act").

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Item 4 – Advisory Business

SWBC Investment Company (“SWBC”) is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) based in San Antonio, TX. We are beneficially owned by Charles Amato and Gary Dudley.

We have published another Form ADV Part 2A that describes more generally our advisory services, along with an overview of the SWBC Vault Program (“Vault Program”) described in Brochure. However, because the Vault Program is a digital advisory service available exclusively through an online portal (“Program Portal”) through which clients obtain Vault Program information, this Brochure has been tailored to focus on those clients who will participate in the Vault Program (“Vault Clients”).

The SWBC Vault Program (“Vault Program”) is offered **only** online through an interactive website (the “Vault Portal”), and, as part of the Vault Program, you agree to accept electronic delivery of contracts, disclosure documents, prospectuses, statements, and other materials. The Vault Program is only available to residents of the U.S., and is not available to foreign investors (individuals or entities) or U.S. citizens residing outside of the U.S. Regular and continuous Internet access is required to enroll in the Service and to access all Vault Program-related documents. You should not invest if you do not have regular and continuous Internet access. The Vault Program is a discretionary investment management service designed for individual investors with accounts of \$5,000 or more.

When you enroll in the Vault Program, you will provide financial profiling information through the Vault Portal, including but is not limited to, investment objective, risk tolerance, and investment time horizon. SWBC will use your responses to determine a recommendation of an asset allocation model (“Model”) created and managed by Geode Capital Management, LLC (“Geode”). SWBC’s recommendation of a Model is conducted via an algorithmic process that assesses values to some of the answers you provide during the account establishment process. If you accept and agree with the Model that is recommended by SWBC, you will enter into an advisory agreement with us.

In the Vault Program, we engage Geode Capital Management, LLC (“Geode”), as subadviser, to manage the accounts of Vault Clients. The Vault Program is sponsored by National Financial Services, LLC (“NFS”), an indirect wholly-owned subsidiary of FMR LLC (“Fidelity”), based on the Fidelity Automated Managed Platform (“AMP Platform” or the “Service”). SWBC is authorized to offer the Vault Program to its clients pursuant to SWBC-BD’s agreement with NFS (the “AMP Agreement”), which required SWBC to enter into a subadvisory agreement (“Subadviser Agreement”) with Geode (“Subadviser”) that provides, among other terms:

- In the Vault Program, we must engage Geode to serve as the subadviser to will invest Client accounts (each, an “Account”) in a portfolio of securities based on Client selected investment and risk profile once \$5,000 or more has been deposited into the Client Account. If a Client deposits less than \$5,000, the Account will not be invested and will remain in cash or money market funds until \$5,000 or more has been deposited;
- Geode will manage each Model of the Vault Program and the corresponding assets in each Account by generally investing in mutual funds and exchange-traded funds that have a lower-than-average net expense ratio compared with funds in the same fund asset class (“Low-Cost Funds”), Low-Cost Funds will generally be comprised of: (i) mutual funds (“Fidelity Funds”) managed by Fidelity Brokerage Services LLC (“FBS” and together with National Financial Services, LLC and their affiliates, “Fidelity”); and/or (ii) exchange-traded funds (“ETFs”) either

managed by Fidelity (“Fidelity ETFs”) or by unaffiliated investment advisers (“Non-Fidelity ETFs” and, together with Fidelity Funds and Fidelity ETFs, “Funds”).

- Some of the Fidelity Funds and/or Fidelity ETFs may be subadvised by Geode. In selecting Non-Fidelity ETFs, Geode will initially select among ETFs advised by BlackRock Investment Management, LLC (or one of its affiliates, collectively “BlackRock”), including iShares® ETFs, provided that if Low-Cost Funds are not then available from BlackRock or Fidelity for any asset class, Geode may select ETFs managed by other third parties. Pursuant to a contractual long-term marketing arrangement between Fidelity and BlackRock, Fidelity receives compensation from BlackRock in connection with purchases of BlackRock ETFs used in certain Fidelity investment programs, including the Vault Program. Although Geode expects that the models will initially be comprised primarily of Fidelity Funds, Fidelity ETFs and Funds managed by BlackRock, over time, Geode may also invest in Non-Fidelity ETFs, depending on the circumstances. Fidelity will receive compensation from BlackRock in connection with the usage of any BlackRock ETF in Accounts.
- Geode (“Subadviser”) is authorized to establish a set of asset allocation portfolios (“Models”), determine the appropriate asset allocation for each Model and manage the assets in each Client’s Account on a discretionary basis to correspond to the Model selected for such Account by SWBC (“Adviser”) based on Adviser’s assessment of the Client’s overall investment strategy, investment objectives and investment and risk profile;
- Models will be composed of mutual funds and/or exchange-traded funds that maintain lower-than-average net expense ratios compared with funds in the same fund asset class (“Low- Cost Funds”);
- Subadviser will manage each Model and the corresponding assets in each Client Account by investing in Low-Cost Funds comprised of: (i) mutual funds managed by Fidelity (“Fidelity Funds”); and/or (ii) exchange-traded funds (“ETFs”) either managed by Fidelity (“Fidelity ETFs”) or by unaffiliated investment advisers (“Non-Fidelity ETFs” and, together with Fidelity Funds and Fidelity ETFs, “Funds”);
- Some of the Fidelity Funds and/or Fidelity ETFs may be subadvised by Subadviser;
- In selecting Non-Fidelity ETFs, Subadviser will initially select among ETFs advised by BlackRock Investment Management, LLC (or one of its affiliates, collectively “BlackRock”), including iShares® ETFs, provided that if Low-Cost Funds are not then available from BlackRock or Fidelity for any asset class, Geode may select ETFs managed by other third parties;
- Pursuant to a contractual long-term marketing arrangement between Fidelity and BlackRock, Fidelity receives compensation from BlackRock in connection with purchases of BlackRock ETFs used in certain Fidelity investment programs, including the Fidelity Platform, which provides incentive for Fidelity to select and recommend Blackrock ETFs based on the compensation to be received, rather than the investment needs of the Client; for additional information regarding Geode, please refer to Geode’s Form ADV 2A; all investments in Funds are subject to the terms of each relevant prospectus, including associated fees, if any;
- Although Subadviser expects that the Models will initially be comprised primarily of Fidelity Funds, Fidelity ETFs, and Funds managed by BlackRock, over time, Subadviser may also

invest in Non-Fidelity ETFs, depending on the circumstances. Client is informed that Fidelity will receive compensation from BlackRock in connection with the usage of any BlackRock ETF in Client Accounts; the amounts will be subject to adjustments (the "Adjustments") provided in the Subadviser Agreement related to (i) investment management fees and other underlying fees paid to Fidelity or Geode as a result of investments by Client Accounts in any Fidelity Fund or Fidelity ETF, and (ii) actual distribution fees, shareholder servicing fees, and any other underlying fees or compensation received by Fidelity as a result of investments by the Account in any Non-Fidelity ETF; provided, the Adjustments shall be applied to reduce the calculation of the fees that Clients owe to SWBC for the Vault Program, but only to the extent that SWBC's or SWBC-BD's obligation to NFS (or Fidelity) is likewise reduced;

- Each Client has the opportunity to impose reasonable restrictions on the management of its Account, and to change such restrictions, by making a request to the Adviser. As a general matter, restrictions may include prohibitions with respect to the purchase of a particular Fund or Funds, provided such restrictions are not inconsistent with the management of the Models, or is not fundamentally inconsistent with the nature or operation of the Fidelity Platform;
- As compensation for its services hereunder, Adviser shall pay Subadviser a subadvisory fee (the "Subadviser Fee") out of the gross management fee paid to Adviser by Vault Clients (the "Gross Management Fee") after application of the Adjustments. SWBC shall also pay NFS an asset-based platform fee in connection with Adviser's and the Vault Clients' use of the AMP Platform (the "AMP Platform Fee") out of the Gross Management Fee as provided in the separate agreement between SWBC-BD and NFS; and
- Geode and Fidelity have agreed Geode will receive a minimum annual fee ("Minimum Fee") in connection with the AMP Platform. In the event that Geode's aggregate, annual Subadviser Fees across all of the accounts it manages in connection with the Fidelity Platform do not exceed the Minimum Fee, then Fidelity will be required to pay the shortfall to Geode. Adviser acknowledges that neither this Minimum Fee nor any shortfall will be charged to Adviser or any Client. Fidelity's obligation to pay the Minimum Fee to Geode creates an incentive for Fidelity to support utilizing Geode as a subadviser for Adviser and its Adviser's Clients in connection with the AMP Platform.

Geode is a registered investment adviser that is not affiliated with SWBC or any Fidelity Investments company, and will act as the subadviser for the Vault Program. NFS provides clearing, custody, or other brokerage services for SWBC-BD.

Client Responsibilities

You are solely responsible for user activity that occurs in your Account, and for maintaining confidentiality of your Account login information (i.e., username and password). You must notify SWBC immediately of any compromise or breach of your Account login information, or access. You must provide a valid email address to be enrolled in the Service. You are required to immediately notify SWBC of any changes to your email address by updating your information through the Vault Portal. Failure to provide and maintain a valid email address may result in SWBC, NFS, and Geode's inability to communicate to you and may lead to your termination from the Vault Program.

SWBC and NFS provide the availability for each client to use a separate email address when establishing an SWBC account with multiple owners. SWBC recommends that you use your own unique and separate

email address from other owners on the SWBC account in order to receive communications from NFS and SWBC about your SWBC account.

Holding a Client's Order or Instruction

SWBC, in its own discretion and without consultation with the Client, may elect not to act immediately upon a Client's order to place a transaction (buy, sell or exchange) or not act upon a client's instruction if SWBC believes the client is the subject of financial abuse or is engaged in a criminal activity (directly or indirectly). Client instructions that SWBC or SWBC's Representative may not act upon immediately include, but are not limited to, money movement instructions, including wire and check movements, termination of advisory services, change in beneficiary or beneficiaries, and trading authorization of third-party.

Where SWBC does not immediately act upon a SWBC client's order to place a transaction or act upon a client's instruction, SWBC will attempt to conduct promptly a review in order to determine the appropriate course of action, which can include, but not limited to, contacting the client, contacting State and/or federal authorities, or contacting the SWBC client's Trusted Contact.

Item 5 – Fees and Compensation

Advisory Fees — Gross Advisory Fee

The Vault Program assesses an advisory fee (the "Gross Advisory Fee") in the amount reflected on the Fee Schedule to the Client's Advisory Agreement. The Gross Advisory Fee will not exceed an annual percentage rate of 0.85% expressed as an annual rate, billed quarterly in arrears based on the average daily balance of your Account which covers the advisory services provided by SWBC; Geode's ongoing management of your Account; certain trading costs and commissions; and brokerage, clearing, and custody services provided by NFS.

The Gross Advisory Fee does not include the underlying mutual fund and ETF expenses (e.g., internal expenses) charged at the individual fund level for any funds in your Account. You will be responsible for paying the underlying mutual fund and ETF expenses charged at the individual fund level for any funds in your Account. These fund expenses, which vary by fund and class, are expenses that all mutual fund and ETF shareholders pay. Refer to the individual fund's prospectus for additional details on the expenses charged. Some of these underlying mutual fund and ETF expenses are paid to Geode or Fidelity and will be included in a credit amount (the "Credit Amount") that reduces the Gross Advisory Fee, as described below.

Advisory Fee — Credit Amount

Your Gross Advisory Fee shall be reduced by a Credit Amount. The purpose of the Credit Amount is to reduce the annual advisory fee by the amount of compensation, if any, received by Geode or by Fidelity from the underlying mutual funds and ETFs, or their respective affiliates, as a result of the Account's investments in such funds, as detailed below. This Credit Amount will be calculated daily and applied quarterly in arrears. To the extent applicable, a Credit Amount will be calculated by Geode or by Fidelity for each type of mutual fund or ETF in your Account, as follows:

- For Fidelity Funds and Fidelity ETFs, the Credit Amount will equal the underlying investment management and any other underlying fees or compensation paid to Geode or Fidelity from such funds or their affiliates as a result of investments by the Account in such Fidelity Funds or Fidelity ETFs.

- For Non-Fidelity ETFs, the Credit Amount will equal the distribution fees, shareholder servicing fees, and any other underlying fees or compensation paid to Fidelity from such ETFs or their affiliates as a result of investments by the Account in such Non-Fidelity ETFs.

These amounts are added together to arrive at a total Credit Amount, which reduces your Gross Advisory Fee, if any. Cash balances in your Account will be invested by Geode in the core Fidelity money market fund, the cash sweep vehicle for your Account.

Sales Loads, Transaction, Redemption, and Other Fees

You generally will not pay any sales loads or transaction fees on the funds purchased for your Account. A special sales load waiver may enable Geode's investment professionals to purchase funds for your Account without incurring additional sales loads or transaction fees on fund sales. In order to protect the interests of long-term shareholders, certain funds may impose redemption or other administrative fees if shares are not held for a minimum time period. SWBC, Geode, or Fidelity, at their sole discretion, may choose to pay any such redemption fees on a client's behalf, but are under no obligation to do so.

In addition, you are responsible for any short-term trading fees, surrender fees, or other expenses or fees that result from the sale of existing investments (if any) to fund your initial investment in the Vault Program and any subsequent withdrawals that you initiate. The advisory fee also does not cover charges resulting from trades effected with or through broker-dealers other than affiliates of NFS, markups or markdowns by broker-dealers, transfer taxes, exchange fees, regulatory fees, odd-lot differentials, handling charges, electronic fund and wire transfer fees, or any other charges imposed by law or otherwise applicable to your Account. One such charge applies to sales of securities made for Accounts — an industry-wide assessment mandated by the SEC totaling a few cents per \$1,000 of securities sold. Please note that the amount of this regulatory fee may vary over time, and because variations may not be immediately known, the amount may be estimated and assessed in advance. To the extent that such estimated amount differs from the actual amount of the regulatory fee, Fidelity may retain the excess. These charges will be reflected on the Account's monthly statements and/or confirmations, as applicable.

Subadviser Fee

SWBC pays a 0.05% subadviser fee based upon the market value of the assets in each Vault Program Account to Geode for the advisory services Geode renders through the Vault Program. You do not pay for this subadviser fee directly, but it is paid out of the Gross Advisory Fee paid to SWBC.

NFS Fees

1) NFS Fees Included in Gross Advisory Fee

NFS provides SWBC with the systems to formulate, configure, and deliver the Vault Program to you. In addition, NFS provides clearing and custody services and access to other systems and services, including access and the use of systems that are utilized in the creation and implementation of the Vault Program, Accounts and Models. SWBC will pay NFS a fee based upon the below list schedule that is based upon the total market value of the assets in the Vault Program. SWBC will pay additional fees to NFS pursuant to an agreement SWBC has with NFS for these additional services. However, these additional fees are generally not directly charged to you or your Account.

Total Vault Program Assets	NFS Fee
First \$2,000,000	0.18%
Next \$2,000,000	0.17%
Above \$4,000,000	0.16%

2) NFS Fees You Pay Separately

NFS will charge you certain fees associated with your SWBC account, and these NFS fees are **not** included in the Gross Advisory Fee; meaning you will be responsible for and be charged separately for these fees, if applicable. These NFS fees may increase or decrease at the discretion of NFS and are subject to change at any time without prior notification to you.

a. IRA Termination Fee

Upon termination of your SWBC account, NFS will charge a \$125 termination fee if your SWBC account is an IRA or similar qualified account as determined by IRS Code (e.g., Roth, Rollover IRA, SEP IRA, etc.).

b. Non-IRA ACAT fee

Upon termination and transfer of your SWBC account, NFS will charge a \$75 fee for non-IRA accounts (e.g., Individual, Joint, Trust accounts, etc.) for the processing of an Automated Customer Account Transfer (ACAT).

Billing

Your net advisory fee will be deducted from your Account in arrears on a quarterly basis, based on the average daily assets of your Account on the last business day of the quarter, and are generally automatically deducted from your Account. Certain assets in your Account may be liquidated to pay the fees; this liquidation may generate a taxable gain or loss. Please consult your tax advisor for additional information. Should either party terminate the investment advisory relationship, the Vault Program will prorate any fees due from the beginning of the last quarter to the termination date, which is defined as the date when Geode is no longer actively managing the assets in your Account.

Item 6 – Performance-Based Fees and Side-by-Side Management

Neither SWBC nor its Representatives engage in side-by-side management or accept performance-based fees. SWBC Representatives who support the Vault Program are representatives of SWBC-BD. These Representatives may provide you with technical assistance regarding the Vault Program.

Item 7 – Types of Clients

The Vault Program may be offered to individuals, high net worth individuals, trusts, estates, foundations, charitable institutions, corporations, private pension plans, and other business entities or organizations with sufficient liquid assets to participate in the Vault Program. The Vault Program is not intended for government entities (federal, state, or municipal) or for public pension plans.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

In connection with your Account, you will provide financial profile information to SWBC, including risk tolerance, investment objective, and investment time horizon. The information you provide via the Vault Portal will serve as the basis for SWBC's recommendation of a Model to you.

As noted above, Geode is responsible for the selection and monitoring of investments in your Account after you have agreed to a Model. For additional information about Geode's investment methodology, the investments selected for your Account, and the risks associated with those investments, please see Geode's ADV Part 2A brochure. A copy of Geode's ADV Part 2A brochure is provided to you at or prior to the establishment of your Account. You can request another copy of Geode's ADV Part 2A brochure at any time by emailing your request to compliance@swbc.com or contacting SWBC at the phone number listed on the cover page of this Vault Program Brochure. The Vault Program may use both fundamental and quantitative strategies as part of its overall account management. The Vault Program offers multiple Models to help satisfy a variety of investor needs, ranging from the most aggressive portfolios (e.g. portfolios that may include 85% in equity exposure) to more conservative portfolios (e.g., portfolios that may include only 20% equity exposure).

Risk of Asset Value Loss: All Models of the SWBC Program, including the conservative Model, employed by Geode involve the risk of loss including the loss of your original investment amount. You should have a willingness to incur such losses in connection with investments in the Vault Program, especially if you invest for a shorter period of time.

By investing in the Vault Program, you may lose money by investing in mutual funds and ETFs or by the investment strategies used by Geode. Many factors affect each investment's or Account's performance. Nearly all investments and Accounts are subject to volatility in non-U.S. markets, through either direct investment exposure or indirect effects in U.S. markets from events occurring abroad, including adverse political, social, economic, or market occurrences. Additionally, investments or Accounts that pursue debt exposure are subject to risks, including but not limited to, prepayment risk, default risk, and interest rate risk. In addition, funds that pursue strategies that concentrate in specific sectors or industries or are otherwise subject to particular segments of the market (e.g., healthcare, technology, real estate, financial, or international) may be significantly impacted by events affecting those sectors, industries, or markets. Mutual funds or ETFs that invest in other funds bear all the risks inherent in the underlying investments in which those funds invest. Strategies that pursue leveraged risk, including investment in derivatives — such as options, swaps (interest rate, total return, and credit default) and futures contracts — and forward-settling securities, magnify market exposure and losses. Mutual funds, ETFs, and Accounts may also be subject to operational risks, which can include risk of loss or losses arising from failures in internal processes or systems, or people, such as routine processing errors or major systems failures, or from external events, such as exchange outages. In addition, the Vault Program and the mutual funds and ETFs in your Account may be subject to the following risks:

Algorithms: SWBC utilizes algorithms as a significant part of its profiling process and SWBC's determination for the recommended Model for you. The algorithms assume that client information is accurate, complete, and current at all times. There are risks that the algorithms and data input into the algorithms could have errors, omissions, imperfections and malfunctions. Any decisions made in reliance upon incorrect data expose clients to potential risks. Issues in the algorithm are often extremely difficult to detect.

Issues in the algorithms may go undetected for long periods of time and some may never be detected. These risks are mitigated by testing and human oversight of the algorithms and their output. SWBC believes that the testing and monitoring performed on its algorithms and its output will help enable SWBC to identify and address issues that a prudent person managing a similar service would identify and address. However, there is no assurance that the algorithms will always work as intended.

Bond Investments/Interest Rate Risk: The bond market is volatile, and bonds and other fixed income securities carry interest rate risk. Interest rate risk is generally expected to occur when the interest rate changes, but can also occur when market expectations of interest rate changes (or lack thereof) does not occur. Interest rates and bond prices generally have an inverse relationship; meaning that when interest rates increase the values of bonds decrease (and the opposite can occur when interest rates decrease). Generally, the longer the duration of a bond, the greater the impact on the valuation of the bond. For example, an interest rate increase will generally have a greater impact (expected decrease in value) on a 20 year bond versus 5 year bond by the same issuer with same or similar terms. Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Most bond funds do not have a maturity date, so holding the bond funds until maturity to avoid losses caused by price volatility is not feasible. In addition, investments in certain bond structures may be less liquid than other investments, and therefore may be more difficult to trade effectively.

Credit Risk: Issuers of debt and other counterparties may be unable to make interest or principal payments when due or otherwise honor their debt obligations. Credit rating changes of the issuer can adversely affect the value of the debt instrument or security. Additionally, changes in the financial condition of an issuer or counterparty(ies) and/or changes in specific economic or political conditions that affect a particular type of security or issuer, may increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value. Lower-quality debt securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.

Cybersecurity Risk: Companies, markets, investment companies, including ETFs and mutual fund companies, and services providers, like SWBC, Geode, and NFS, use significant amount of technologies in their day to day functions. As a result, these entities and those individuals who use these services or have investments in companies are subject to a number of cybersecurity risks. Cybersecurity risks include, but are not limited to, compromised company, employee or client data, disruption of services, corruption or loss of data, inability to perform services (e.g., trading, valuation, issuance of reports, communications), and financial losses.

Derivatives Risk: A derivative can be defined as a financial instrument or contract which derives its value from one or more underlying financial instrument such as an asset, index, or interest rate. An alternative fund or ETF's use of derivatives may reduce the alternative mutual fund's returns and/or increase volatility. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. Derivatives may give rise to a form of leverage and may expose the alternative mutual fund to greater risk and increase its costs.

Investments in Your Account: Your Account will be invested in various securities, such as ETFs and mutual funds. These securities will employ various investment strategies, and each investment strategy has a number of risks associated with it. Therefore, your Account and the securities held within your Account are subject to these risks and you can lose a substantial amount of your original investment in the Vault Program. For more information regarding the risks associated with a mutual fund or ETF, please refer to the corresponding prospectus.

ETFs: An ETF is a fund that trades on an exchange, similar to stocks, and often seeks to track an index (e.g., S&P 500), commodity (e.g., oil, natural gas, gold, etc.), or a basket of assets like an index fund. As a result, ETFs often do not have the objective to outperform what they are tracking. However, some ETFs are actively managed and do not seek to track a certain index or basket of assets. ETFs may also have unique risks depending on their structure and underlying investments. ETFs may trade at a

premium (above) or discount (below) to their net asset value ("NAV"), and may also be affected by the market fluctuations of their underlying investments. If you decide to terminate the Vault Program during a down market or when ETFs are experiencing large volume of redemptions, the value of the ETFs can significantly below the NAV of the underlying assets held in the ETFs. ETFs may experience further below market valuations if the ETF has invested in illiquid or investments that have experienced less liquidity causing the ETF to take below desired valuations in order to cover redemptions from shareholders.

Additionally, much of the ETF market, including many ETFs, have not experienced a down market, and there may be unknown risks associated with ETFs.

Foreign Exposure: Foreign securities, like domestic U.S. securities, are subject to market volatility risk, performance of underlying assets, regulatory risks, economic developments and other factors that can significantly impact the valuation of a fund or security. In addition, foreign securities are subject to foreign interest rate(s), currency exchange rate, regulatory, geopolitical risks, and other risks, all of which can be greater in emerging markets. These risks are particularly significant for funds that focus on a single country, region, or emerging markets. Foreign markets may be more volatile than U.S. markets and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile. Foreign exchange rates can also be extremely volatile and can lead to significant losses. As an example, a fund's underlying assets could have a positive performance; however, the fund's value could decrease due to current currency exchange rate changes.

Legislative and Regulatory Risk: Investments in your Account may be adversely affected by new laws or changes to existing laws or regulations. Changes to laws or regulations can impact the securities markets as a whole, specific industries, and individual issuers of securities.

Money Market Fund: You could lose money by investing in a money market fund. Although a money market fund generally seeks to preserve the value of your investment at \$1.00 per share, SWBC, Geode and the fund cannot guarantee it will preserve the value of \$1.00. Your investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. SWBC, Geode, NFS and its affiliates, the money market fund's sponsor, have no legal obligation to provide financial support to money market funds and you should not expect that the sponsor will provide financial support to the fund at any time.

Municipal Bonds: The municipal market can be affected by adverse tax, legislative, or political changes, and by the financial condition of the issuers of municipal securities. Municipal funds normally seek to earn income and pay dividends that are expected to be exempt from federal income tax. If a fund investor is a resident in the state of issuance of the bonds held by the fund, interest dividends may also be exempt from state and local income taxes. Income exempt from regular federal income tax (including distributions from tax-exempt, municipal, and money market funds) may be subject to state, local, or federal alternative minimum tax. Certain funds normally seek to invest only in municipal securities generating income exempt from both federal income taxes and the federal alternative minimum tax; however, outcomes cannot be guaranteed, and the funds may sometimes generate income subject to these taxes. For federal tax purposes, a fund's distributions of gains attributable to a fund's sale of municipal or other bonds are generally taxable as either ordinary income or long-term capital gains. Redemptions, including exchanges, may result in a capital gain or loss for federal and/or state income tax purposes. Tax code changes could affect the municipal bond market. Tax laws are subject to change,

and the preferential tax treatment of municipal bond interest income may be removed or phased out for investors at certain income levels.

Stock Markets and Investments: If the stock markets decline, Geode will review the Models used in Vault Program. However, Geode may not make any changes to the Models or the mutual funds and/or ETFs used in the Models. Stock markets are volatile and can decline significantly in a short amount of time in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments. Value and growth stocks can perform differently from other types of stocks. Growth stocks can be more volatile. Value stocks can continue to be undervalued by the market for long periods of time. In addition, stock investments may be subject to risk related to market capitalization as well as company-specific risk.

Item 9 – Disciplinary Information

Registered Investment Advisors (RIA's) are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm. SWBC Investment Company has no information applicable to this item.

Item 10 – Other Financial Industry Activities and Affiliations

A. Registration as Broker-Dealer and Registered Representatives

We are affiliated with SWBC Investment Services, LLC ("SWBC-BD") through common control and ownership. SWBC-BD is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. SWBC's management employees (who are also registered as registered representatives) and virtually all investment adviser representatives of SWBC are registered as broker-dealer registered representatives of SWBC-BD ("Representatives"). Refer to the disclosure in Item 10.C. below for further information.

B. Registered or Application as Futures Commission Merchant, Commodity Pool Operator, or Other Registration Category

No disclosures pursuant to this Item.

C. Material Arrangements with Related Person Broker-Dealers, Investment Advisers, or Insurance Agencies

We are affiliated with SWBC-BD through common control and ownership. SWBC-BD is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Persons providing investment advice on behalf of our firm, including our management persons, are also registered representatives associated with SWBC-BD. In their capacity as registered representatives, these persons will receive commission-based and asset-based sales compensation (including 12b-1 fees from the sale of mutual funds) from the purchase and sale of mutual funds and other securities. Compensation earned by these persons in their capacities as registered representatives is separate from our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm and who are also registered representatives of SWBC-BD have an incentive to effect or recommend securities transactions for the purpose of generating commissions rather than making or recommending securities transaction based solely on your investment needs. See the *Fees and Compensation* section in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

We are affiliated with SWBC Investment Advisory Services, LLC ("SWBC Pension Advisor") through common control and ownership. SWBC Pension Advisor is an SEC-registered investment adviser that

offers pension consulting services to employee benefit plans, their fiduciaries and their sponsors. We will recommend appropriate services of SWBC Pension Advisor for clients in need of pension consulting services. Our advisory services are separate and distinct from any services provided by SWBC Pension Advisor, and our advisory fees are separate from any fee charged by SWBC Pension Advisor for its services. We have a conflict of interest in referring clients to our affiliate for pension consulting services because we have a financial incentive to recommend our affiliated firm's services. While we believe that the services provided and compensation charged by our affiliated firm are competitive, such services may not be competitive with, and such compensation may be higher than fees charged by, other firms. You are under no obligation to use the services of any other firm we recommend, whether affiliated or otherwise; you may obtain comparable or higher quality services and/or lower fees through other firms.

SWBC-BD is also an insurance agency and persons providing investment advice on behalf of our firm may be licensed as insurance agents. Many Representatives are also licensed to sell life, health, and annuity products and are appointed as agents ("Agents") by various life insurance companies; SWBC-BD is a party to standard agency contracts with life insurance companies which govern compensation from insurance products and renewals. These persons will earn commission-based compensation for selling life, health, and annuity insurance products to you. Insurance compensation earned by these persons in their capacities as insurance agents is separate from our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm and who are also insurance agents of SWBC-BD have an incentive to effect or recommend insurance products for the purpose of generating insurance commissions rather than making or recommending insurance products based solely on your insurance needs.

D. Recommend or Selection Other Investment Advisers with Material Conflict of Interest

In the *Vault Program*, we engage Geode Capital Management, LLC ("Geode"), as subadviser to manage the accounts of Vault Clients participating in the *Vault Program* (as described in Item 4, *Vault Program Description*). As described in Item 4, the *Vault Program* is sponsored by National Financial Services, LLC ("NFS"), an indirect wholly-owned subsidiary of FMR LLC ("Fidelity"), through the Fidelity Automated Managed Platform ("AMP Platform" or the "Service"). SWBC is authorized to offer the *Vault Program* to its clients pursuant to SWBC-BD's agreement with NFS (the "AMP Agreement"), which required SWBC to enter into a subadvisory agreement ("Subadviser Agreement") with Geode ("Subadviser") that provides, among other terms:

- Subadviser is authorized to establish a set of asset allocation portfolios ("Models"), determine the appropriate asset allocation for each Model and manage the assets in each Client's Account on a discretionary basis to correspond to the Model selected for such Account by SWBC ("Adviser") based on Adviser's assessment of the Client's overall investment strategy, investment objectives and investment and risk profile;
- Models will be composed of mutual funds and/or exchange-traded funds that maintain lower-than-average net expense ratios compared with funds in the same fund asset class ("Low- Cost Funds");
- Subadviser will manage each Model and the corresponding assets in each Client Account by investing in Low-Cost Funds comprised of: (i) mutual funds managed by Fidelity ("Fidelity Funds"); and/or (ii) exchange-traded funds ("ETFs") either managed by Fidelity ("Fidelity ETFs") or by unaffiliated investment advisers ("Non-Fidelity ETFs" and, together with Fidelity Funds and Fidelity ETFs, "Funds");
- Some of the Fidelity Funds and/or Fidelity ETFs may be subadvised by Subadviser;
- In selecting Non-Fidelity ETFs, Subadviser will initially select among ETFs advised by

BlackRock Investment Management, LLC (or one of its affiliates, collectively "BlackRock"), including iShares® ETFs, provided that if Low-Cost Funds are not then available from BlackRock or Fidelity for any asset class, Geode may select ETFs managed by other third parties;

- Pursuant to a contractual long-term marketing arrangement between Fidelity and BlackRock, Fidelity receives compensation from BlackRock in connection with purchases of BlackRock ETFs used in certain Fidelity investment programs, including the Fidelity Platform;
- Although Subadviser expects that the Models will initially be comprised primarily of Fidelity Funds, Fidelity ETFs, and Funds managed by BlackRock, over time, Subadviser may also invest in Non-Fidelity ETFs, depending on the circumstances. Client is informed that Fidelity will receive compensation from BlackRock in connection with the usage of any BlackRock ETF in Client Accounts; the amounts will be subject to adjustments (the "Adjustments") provided in the Subadviser Agreement related to (i) investment management fees and other underlying fees paid to Fidelity or Geode as a result of investments by Client Accounts in any Fidelity Fund or Fidelity ETF, and (ii) actual distribution fees, shareholder servicing fees, and any other underlying fees or compensation received by Fidelity as a result of investments by the Account in any Non-Fidelity ETF; provided, the Adjustments shall be applied to reduce the calculation of the fees that Clients owe to SWBC for the Vault Program, but only to the extent that SWBC's or SWBC-BD's obligation to NFS (or Fidelity) is likewise reduced;
- Each Adviser Client has the opportunity to impose reasonable restrictions on the management of its Account, and to change such restrictions, by making a request to the Adviser. As a general matter, restrictions may include prohibitions with respect to the purchase of a particular Fund or Funds, provided such restrictions are not inconsistent with the management of the Models, or is not fundamentally inconsistent with the nature or operation of the Fidelity Platform;
- As compensation for its services hereunder, Adviser shall pay Subadviser a subadvisory fee (the "Subadviser Fee") out of the gross management fee paid to Adviser by Vault Clients (the "Gross Management Fee") after application of the Adjustments. SWBC shall also pay NFS an asset-based platform fee in connection with Adviser's and the Vault Clients' use of the AMP Platform (the "AMP Platform Fee") out of the Gross Management Fee as provided in the separate agreement between SWBC-BD and NFS; and
- Geode and Fidelity have agreed to Geode receiving a minimum annual fee ("Minimum Fee") in connection with the AMP Platform. In the event that Geode's aggregate, annual Subadviser Fees across all of the accounts it manages in connection with the Fidelity Platform do not exceed the Minimum Fee, then Fidelity will be required to pay the shortfall to Geode. Adviser acknowledges that neither this Minimum Fee nor any shortfall will be charged to Adviser or any Client. Fidelity's obligation to pay the Minimum Fee to Geode creates an incentive for Fidelity to support utilizing Geode as a subadviser for Adviser and its Adviser's Clients in connection with the AMP Platform.

Other than the Vault Program, we may recommend that you use a third party money manager ("TPMM") based on your needs and suitability. We will not receive separate compensation, directly or indirectly, from the TPMM for recommending that you use their services. Moreover, we do not have any other business relationships with the recommended TPMM(s). Refer to the *Advisory Business* section above for additional disclosures on this topic.

Item 11 – Code of Ethics, Participation in Client Transactions, and Personal Trading

SWBC has adopted a Code of Ethics expressing the SWBC's commitment to ethical conduct. SWBC's Code of Ethics is based upon the principle that SWBC has a fiduciary duty to you to conduct the affairs, including personal securities transactions, in such a manner as to help avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility. The Code of Ethics is designed to help ensure that the high ethical standards long maintained by SWBC continue to be applied. The purpose of the Code of Ethics is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct. SWBC's fiduciary duty means that SWBC has an affirmative duty of utmost good faith to act solely in the best interest of you. SWBC and its employees are subject to the following specific fiduciary obligations when dealing with investment advisory clients:

- The duty to have a reasonable, independent basis for the investment advice provided;
- The duty to help ensure that investment advice is suitable to meeting your investment objectives, needs and circumstances; and
- A duty to be loyal to you.

To implement the Code of Ethics, all SWBC access persons are required to acknowledge their receipt of the SWBC's Code of Ethics. SWBC's access persons are further subject to specific personal securities transactions and holdings reporting requirements, and SWBC compliance personnel review such transactions and holdings information. Nevertheless, SWBC's employees may buy or sell securities for their personal accounts identical to or different than those held in your Account. The purchases of initial public offerings by Investment Adviser Representatives are prohibited under the Code of Ethics, and Investment Adviser Representatives must receive pre-clearance before investing in private securities offerings.

SWBC's Code of Ethics further includes the SWBC policy prohibiting the use of material non-public information. SWBC requires that access persons must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any access person not in observance of the above may be subject to termination. You may receive the full version of SWBC's Code of Ethics by making a written request to our Chief Compliance Office, at the address shown on the front of this Brochure.

Item 12 – Brokerage Practices

During your participation in the Vault Program, your Account will not be available for brokerage activities other than activities directed by Geode. These brokerage activities would include, but would not be limited to, margin trading, short trading, options, or trading of securities by you or any of your designated agents. Further, SWBC's responsibilities for the Vault Program are limited solely to brokerage services relating to your participation in the Vault Program.

Geode will direct substantially or all of the orders for the Accounts through NFS. This is because of the quality of NFS's execution capabilities, the nature of the expected securities to be purchased and sold in Vault Program Accounts on behalf of you, the existing established SWBC processes and controls with regards to conducting orders through NFS, and because you will not be charged commissions on transactions executed through NFS. For information on Geode's trading practices, including but not

limited to, aggregating orders, counterparty considerations, brokerage and research services, trade allocation policies, prime brokerage and market considerations, please see Geode's ADV, Part 2A brochure.

Item 13 – Review of Accounts

Accounts will be reviewed on a periodic basis to determine continued eligibility to participate in the Vault Program, and SWBC and Geode reserve the right to determine eligibility in their discretion. SWBC, NFS, and Geode reserve the right to terminate your participation in the Vault Program for any reason, including if your Account balance falls below a certain level or if the Vault Program is no longer appropriate for you. In addition, your Vault Program Account may be terminated if the Vault Program has been unable to contact you for an extended period of time or if you decide to opt out of electronic delivery of Account-related communications. Geode and SWBC reserve the right to terminate, modify, or make exceptions to these policies at any time.

Item 14 – Client Referrals and Other Compensation

SWBC does not compensate individuals or entities for client referrals to the Vault Program.

The group of investments available for consideration for your Accounts is currently limited to (i) Fidelity Funds, (ii) Fidelity ETFs, and (iii) Non-Fidelity ETFs. In some cases, Geode may be a subadvisor to the Fidelity Funds and Fidelity ETFs. In selecting Non-Fidelity ETFs for inclusion in the Accounts, Geode will initially select among ETFs advised by BlackRock, including iShares® ETFs, provided, that if Low-Cost Funds are not then available from BlackRock or Fidelity for any asset class, Geode may select ETFs managed by other third parties.

SWBC does not receive compensation from either BlackRock, or Fidelity in connection with purchases of funds or ETFs in the Vault Program.

SWBC receives additional compensation and/or payments from some of the companies whose products we sell or vendors (hereafter referred to as "Product Companies"). Product Companies include, but are not limited to, mutual fund companies, insurance companies, unit investment trust issuers, asset managers, and structured product issuers, which may include NFS an affiliated entity FBS. This compensation or payments from Product Companies are in addition to standard sales loads, annual service fees (such as Rule 12b-1 fees), trail commissions, expense reimbursements, and sub-transfer agent fees for maintaining client account information and providing other administrative services for the mutual funds (shareholder accounting and networking fees). SWBC may also receive payments from these Product Companies for their participation in certain events, such as client workshops/seminars, trainings, conferences, and meetings. In the course of business, our Employees of SWBC and individuals associated with SWBC may receive promotional items, meals, entertainment, or other similar cash or "non- cash" compensation from representatives of the Product Companies with which we do business. However, SWBC does not receive any additional compensation or payments from Geode in relation to the Vault Program. You should feel free to contact SWBC at (800)606-9878 to discuss how we are compensated in connection with the Vault Program as well as other investment products and services offered or provided by SWBC.

Item 15 – Custody

In order to participate in the Vault Program, you must establish a brokerage account with SWBC, a registered broker-dealer. NFS has custody of your assets and will perform certain services for the benefit of your account, including the implementation of discretionary management instructions, as well as custodial and related services. We do not have physical custody of any of your funds and/or securities. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Item 16 – Investment Discretion

In the Vault Program, you appoint SWBC as investment manager, and grant SWBC discretionary authority to purchase, sell, exchange, convert and otherwise trade in and deal with any security or cash in the Account, including existing securities in the Account, securities and cash transferred into the Account and future securities to be held in the Account. SWBC delegates this discretionary authority to Geode as the subadviser, and you consent to the delegation of discretionary authority to Geode. In the Vault Program, such discretionary authority allows SWBC and Geode to make all investment decisions with respect to your Account when SWBC or Geode deems appropriate and without prior consultation with you, to buy, sell, exchange, convert and otherwise trade in any mutual fund or exchange traded fund. SWBC and Geode have no authority or duty to manage any of your assets that are not in the Account. Geode is responsible for the selection and monitoring of investments in your Account. For additional information about Geode's investment methodology, the investments selected for your Account, and the risks associated with those investments, please see Geode's ADV, Part 2A brochure. The Vault Program may use both fundamental and quantitative strategies as part of its overall account management.

Item 17 – Voting Client Securities

SWBC does not exercise proxy voting in connection with the Vault Program, nor will SWBC advise clients about particular proxy solicitations. Clients must vote proxies on securities held in their account directly based on information they receive from their custodians.

Item 18 – Financial Information

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