



**Synovus  
Securities, Inc.**

Member FINRA/SIPC

## **Synovus Securities, Inc.**

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**March 31, 2023**

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Synovus Securities, Inc. ("SSI"). If you have any questions about the contents of this Brochure, please contact Gene Gunderson, Chief Compliance Officer at (706) 644-0298 or by email at [genegunderson@synovus.com](mailto:genegunderson@synovus.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.

Synovus Securities, Inc. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about Synovus Securities, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

This Wrap Fee Program Brochure (the "Brochure") dated March 31, 2023, is a revised document prepared according to the Securities and Exchange Commission's requirements and rules. This Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

This Brochure does not contain any material changes but has been updated since the previous version filed with the Securities and Exchange Commission dated November 4, 2022, to include refreshed totals for assets under management and revised information in Item 9 regarding the states in which the Firm is also a licensed insurance agency.

Please review these updates, and all sections of this Brochure, carefully before making investment decisions. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Copies of this Brochure may be requested by contacting Gene Gunderson, Chief Compliance Officer at (706) 644-0298 or [genegunderson@synovus.com](mailto:genegunderson@synovus.com). It is also available free of charge via our website at <https://www.synovus.com/about-us/our-companies>. Clients have the option to electronically receive copies of this Brochure, along with any subsequent updates. Please contact your Financial Advisor for more information about electing electronic delivery for future brochures.

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## Item 4 – Services, Fees and Compensation

Synovus Securities, Inc., (“SSI”) is a full service brokerage and investment advisory firm headquartered in Columbus, Georgia, with offices across Georgia, Alabama, Florida, South Carolina, and Tennessee. SSI is owned by Synovus Financial Corp., a multi-billion dollar publicly traded bank holding company also based in Columbus. SSI is a registered broker-dealer and registered investment adviser with the Securities and Exchange Commission, as well as a member of FINRA and various state regulatory agencies.

As of January 31, 2023, Synovus Securities, Inc.’s assets under management were \$1,671,586,625 on a discretionary basis, and \$2,299,401,748 on a non-discretionary basis.

The general investment services offered to clients are outlined in the bullet points below. The specific details of each investment program (each a “Program” or collectively “Programs”) available to clients follow.

- Collecting detailed information about the client’s current financial situation;
- Identifying client’s goals and objectives;
- Developing an appropriate asset allocation model;
- Providing asset management services, including individually managed accounts;
- Offering mutual fund model portfolios;
- Selecting of money managers;
- Evaluating performance and monitoring services;
- Periodic rebalancing;
- Executing of securities transactions; and,
- Providing custody of assets through National Financial Services (“NFS”).

Where applicable, portfolio managers selected to manage client accounts may buy, sell or otherwise trade securities of SSI’s parent company, Synovus Financial Corp., in client accounts. While this may appear to create a conflict of interest, these decisions are made solely at the discretion of the manager and are not influenced by SSI or any of its affiliates. SSI does not recommend the purchase or sale of any stock issued by Synovus Financial Corp. to advisory clients.

Each Program may impose account minimums and due to these minimums, adequate diversification may not be achieved. The number of accounts within any given program varies, including some with a limited number of investor accounts. More information about each program is available from your Financial Advisor.

Clients in each Program pay a program fee (“Program Fee”) that includes all fees associated with management, custodial and brokerage-related expenses for the client’s account, subject to certain exceptions. Additional costs not part of the Program Fee include, but are not limited to, transactions executed away from SSI, dealer mark-ups, electronic fund and wire transfers, market maker spreads, exchange fees, redemption fees and account maintenance fees. SSI pays part of the Program Fee to third party managers managing client assets. Fees vary depending on the manager.

Clients grant SSI the authority to debit Program Fees directly from their account. Clients will receive a statement, usually monthly but no less than quarterly, showing all account holdings and transactions in their account. **SSI urges clients to review the information on the statement for accuracy and compare the information to any reports received directly from their SSI Representative.**

If the client does not have a sufficient cash/cash equivalent balance to cover the fee, SSI may liquidate assets to generate sufficient funds for the fee to be paid. Conversely, a portion of accounts may be maintained in (and assessed fees on) cash or other cash equivalents.

For new Synovus Investment Strategies and GLOBALT innovatETF Strategies® and Separately Managed Account programs client accounts, the initial fee is calculated the day after assets are placed in the Program, debited the following month, and will be prorated based on the number of calendar days left in the month. If the client deposits or withdraws \$10,000 or more to their account during the month, SSI calculates a new fee, or rebate for withdrawals, prorating the additional funds for the remainder of the month.

Advisory agreements may be terminated by either party, without penalty, immediately upon receipt of written notice by the other party. Any such termination will not affect party's status, obligations or liabilities. If an account is terminated and all assets are withdrawn from the Program prior to the end of a month, the client will receive a refund of the Program Fee prorated based on the number of calendar days left in the month. At the time of termination, any unpaid fees will be due.

Clients may receive comparable services from other broker-dealers or investment advisers and pay fees that are higher or lower than those charged under these Programs. The fees for the various Programs may be more or less than the client would have paid if the services (account management, custody and brokerage transactions) were purchased separately outside of the Program. SSI Representatives recommending the Program are compensated based on the client's participation in the Program; therefore, they have a financial incentive to recommend these Programs over other services offered by SSI.

SSI requires all client accounts, with very limited exceptions, to be custodied at NFS and all transactions to be executed by NFS through SSI. This creates a conflict of interest, as SSI is in effect acting as both broker and adviser on behalf of the client. Not all investment advisers require clients to use a specific broker-dealer. This direction to itself may represent a conflict of interest, as SSI is limited in its ability to seek out brokers with different pricing structures or broader services, or to receive more favorable pricing on securities transactions. Therefore, by directing brokerage, clients may not receive best execution on transactions though it is SSI's aim to provide the most cost effective executions based upon prevailing conditions at the time of trade. In some accounts under SSI's Outside Money Manager Program, neither SSI nor the manager is directed to execute transactions through SSI/NFS. Consequently, transactions are expected to be executed primarily away from SSI and accordingly are likely to incur additional costs such that the account will not operate as traditional "wrap" account. In such case, the third party manager is responsible for obtaining best execution under their current policies and procedures.

SSI does not typically aggregate trades for multiple clients, unless trading for clients invested in the same investment strategy. However, SSI and third party managers are permitted to aggregate trades according to their trading policies and procedures. SSI believes aggregating trades will allow the managers to achieve more favorable pricing and/or better execution at the time of the trade, as well as supporting equitable prices allocations across client accounts.

SSI is dependent upon NFS, as its clearing firm, for having agreements in place with mutual fund sponsors in order for SSI's investment advisory customers to have access to mutual funds. While NFS has agreements in place with a large variety of mutual fund sponsors, not all mutual funds are available through NFS. Moreover, many mutual funds offer different share classes, often for the same fund, representing different fee and expense structures paid by shareholders of a fund. Certain classes of shares may not be available through NFS and consequently SSI clients may not have access to a lower costing share class otherwise available to investors directly from the fund, a different clearing firm, or other financial intermediary. This limitation could result in SSI clients purchasing and/or holding a more expensive share class of a mutual fund thereby reducing the investment returns.

SSI's clearing firm, NFS, sponsors a "No Transaction Fee" program (the "NTF Program") whereby NFS does not charge SSI a transaction fee for purchase or sell orders SSI submits on a client's behalf for mutual funds participating in the NTF Program. SSI benefits from this cost savings, therefore creating a conflict in that SSI may be incented to recommend or use the mutual funds participating in the NTF Program for advisory client accounts over those mutual funds which do not participate. However, SSI does not influence, recommend, promote, advise or otherwise direct any third party investment adviser (e.g., GLOBALT, Envestnet) to select or give preference to mutual funds participating in the NTF Program over those funds which do not participate. Additionally, upon a client's request, SSI will provide at no cost a list of any NTF eligible mutual funds held within the account and will make a representative available to the client to answer any questions related to the share class selected along with any other share classes available from the same fund. Information for contacting SSI is provided on the first page of this Wrap Brochure.

Many mutual funds are offered with more than one type of fee structure, commonly called “share classes”. There are several factors to consider when selecting a mutual fund share class. For example it is important to evaluate whether a share class involves payment of a commission at the time of purchase (commonly referred to as “front end loads”), at the time of liquidation (“back end loads”), incrementally while the investor owns the share class (“level loads”) or no commission at all (“no-loads”). Share classes also differ in terms of what fees and expenses are deducted from the mutual fund’s pooled investment assets, since these fees and expenses are often not billed separately to a mutual fund shareholder. While there a variety of fees investors may encounter when purchasing a mutual fund, common fees/expenses include management fees paid to the fund’s investment manager, operating expenses used to pay for the day-to-day costs incurred to operate the mutual fund, and distribution fees (known as “12b-1” fees) used to promote, advertise, or compensate financial professionals for aiding in sales of a mutual fund. Though not all mutual fund shares classes include each of the fees/expenses presented here, what remains consistent is that a mutual fund’s share class with a lower total annual expense as compared to another share class of the same fund can result in a significant difference in investment returns over time. It is common for mutual funds to set eligibility requirements, such as minimum investment amounts, for an investor to qualify for purchasing a lower cost share class. Investors can learn more about a specific mutual fund’s available share classes, their fees, loads, expenses, and eligibility requirements by reading the fund’s investment prospectus. In addition, we encourage clients to ask their representative about the fees and expenses associated with mutual funds currently owned by the clients or those presented to them. The programs described in this brochure do not offer, or may not qualify for, all share classes offered by a fund company. Therefore, it is possible you could invest in a lower costing share class of the same fund if purchased outside the programs outlined in this brochure, though without the benefit of the advice and related services we offer through our programs. Despite SSI’s reasonable efforts to utilize cost-effective share classes, there is no guarantee that a client will always be in the most cost advantageous share class. Ask your representative about shares classes available to you.

With respect to funds that pay 12b-1 fees, SSI’s intent is to limit the use of such funds by opting to use a share class of the same fund which does not include 12b-1 fee payments wherever possible. However, in cases where SSI receives 12b-1 payments from a fund, the Firm generally will seek to credit the entire 12b-1 payment to the advisory client(s) account holding the asset which generated the payment from the fund. These credits are intended to but may not guarantee the same effect as investing into a non-12b-1 class. Credits to client accounts generally occur monthly and represent the total 12b-1 fee payments credited during the preceding month. Additionally, SSI will generally seek to issue a check to the most recent address of record of closed client accounts representing 12b-1 payments the Firm received as a result of funds owned during the quarter in which the account was closed.

With regard to the SIS Platform described in Item 4, Envestnet has contractually agreed to share with SSI up to 8 basis points (8/100ths of 1%) of the platform and technology fees Envestnet collects from clients introduced by SSI (the “fee sharing agreement”). The amount shared with SSI is dependent upon SSI reaching certain levels of assets under management in its various programs. Therefore, SSI may have a financial incentive to recommend the SIS Platform program over other Programs or services. Notwithstanding this fee-sharing agreement, SSI’s advisory program recommendations to clients are based upon a client’s expressed needs, tolerance for risk, and investment objectives. The fee for services a client pays for any SIS program offering will not increase as a result of the platform fee sharing agreement between SSI and Envestnet. Clients are not obligated to implement any advisory program recommended or proposed, including those available through the SIS Program.

In conjunction with offering the Synovus Choice UMA, SSI receives access to Envestnet Fiduciary Solutions Program (“EFS”) free of charge. The EFS Program provides SSI additional access to research, watch lists, alerts, Large Case Support, Overlay Services and other Envestnet investment-related intellectual capital. Without offering the Synovus Choice UMA, SSI would have to pay Envestnet for access to the EFS Program. This creates the potential for a conflict of interest because without offering the Synovus Choice UMA, SSI would incur extra cost for the research content available from the EFS Program. To mitigate potential conflicts, SSI’s cost-free access to the EFS Program is not contingent upon any minimum asset values in the Synovus Choice UMA program, nor are there any requirements to offer certain Separate Account Managers, mutual funds, ETFs, or

any other products—including those proprietary to Envestnet or its affiliates. Furthermore, clients in the Synovus Choice UMA do not pay additional fees as compared to any other of SSI's UMA offerings, nor do SSI representatives receive more compensation for asset within the Synovus Choice UMA over assets in SSI's other UMA offerings. SSI's access to the EFS Program content is intended to benefit the Firm's customers by providing SSI associated persons additional research and investment information used in the management of client assets.

Clients have access to some of the GLOBALT innovatETF Strategies® and Separately Managed Accounts ("SMA") via our Synovus Investment Strategies Program ("SIS") or through SSI's direct relationship with GLOBALT. Because SSI has additional costs associated with the SIS Program, SSI retains more of your fee when you access GLOBALT directly. However, the fees you pay for investing in the innovatETF Strategies®/SMA products via the Envestnet platform are higher by a maximum of seven basis points (i.e., seven one-hundredths of one percent) due to the platform fees charged by Envestnet.

To the extent that a client of the SIS Advisor Directed or the SSI Individually Managed Account Program invests in new issues of an equity or fixed-income security purchased in their account, SSI will receive a selling concession, or other similar type of compensation, as described in the prospectus or offering document of the security. SSI receives this compensation in addition to the Program Fee received for investment advisory services. You have the option to restrict the purchase of new issues in your account or to revoke at any time previous authorization granted to purchase them.

SSI's advisory clients may also maintain non-advisory SSI brokerage accounts. Representatives of SSI are compensated through commissions assessed on the transactions executed in these accounts or through some other manner, such as 12b-1 fees. This creates an incentive for the representative to recommend investment products based on the compensation received rather than on the client's needs. However, SSI's brokerage services are generally performed on a non-discretionary basis; therefore, except in rare instances whereby a customer has granted an SSI representative written discretionary authority, transactions are approved by the client in advance and clients receive trade confirmations inclusive of the commissions charged. Moreover, clients are provided a copy of SSI's brokerage account commissions schedule at the time of account opening. Additional copies of the brokerage commissions schedule are available free of charge upon request by contacting your account representative or the SSI home office by calling 706-649-2327. In addition, advisory fees are not charged on such brokerage accounts. To address this conflict, an SSI Designated Principal reviews each new brokerage and advisory account for appropriateness based upon the expressed needs of the client.

While it is the policy of SSI to charge investment management fees to its clients in accordance with the fee schedules in effect at the time of executing the investment management agreement, fees are subject to negotiation and reflect circumstances that may apply to a specific client relationship or account. Thus, fees paid by clients do vary from the program schedules described later in this section, and it is possible clients with similar asset levels to have differing fee schedules and pay different fees, even within the same program. The fees specific to each client account are detailed in that account's advisory contract.

If a client requests and the firm agrees to a flat fee arrangement instead of the tiered program schedules described later in this Brochure, the client may pay more fees than if the relevant program's tiered fee schedule had been used. This scenario is more likely to occur when the client's account asset value crosses one or more of the program schedule's fee discount tiers. The potential for a flat fee arrangement causing a client to pay more in fees versus the program's standard tiered schedule creates a conflict whereby the firm and/or its representatives could be incented to recommend a flat fee schedule in order to receive more compensation. To mitigate this conflict, SSI and its representatives are bound to act solely in the client's best interest including when advising on fee arrangements. Moreover, SSI has implemented procedures at account opening and throughout the account's lifecycle to assess (and remediate as deemed prudent) the impact a negotiated flat fee schedules will have, or has had, on a client's fees.

Clients can qualify for fee discounts by combining household balances of related accounts within the same program offering ("household discounts"). Household discounts are not provided, however, for account balances of related accounts in differing program offerings. SSI has determined to offer employees, associated

persons and their immediate family fee discounts resulting in lower fees than those published in this brochure. SSI reserves the right to amend or terminate this program at its discretion.

SSI has partnered with Synovus Bank, an SSI affiliate and Federal Deposit Insurance Corporation ("FDIC") member bank, to offer certain advisory clients the option of sweeping free credit balances within the investment account to a Synovus Bank deposit account chosen as those clients' core investment vehicle (the "Bank Sweep Program"). SSI receives an annual fee from Synovus Bank of \$25 to \$50 for each account participating in the Bank Sweep Program. Item 9 of this Wrap Program Brochure contains additional information and important disclosures about the Bank Sweep Program.

The SIS Program includes unregistered securities offerings of alternative investments such as private equity, private debt, and hedge funds. To invest in these offerings, you must meet the definition of an Accredited Investor or a Qualified Purchaser, depending on the specific offering. An investment in alternative assets entails a high degree of risk (including the possible loss of a substantial part, or even the entire amount, of an investment) and no assurance can be given that any alternative investment will achieve its objectives or that investors will receive a return of their capital. Further, such investments may not be subject to the same levels of regulatory scrutiny as publicly listed investments, and as a result, investors may have access to significantly less information than they can access with respect to publicly listed investments. Prospective investors should also note that investments in the products described typically involve long lock-ups and do not provide investors with liquidity. This Brochure is not intended to provide you with a full description of risks and considerations related to alternative investments offered through the SIS Program; rather, each alternative investment has its own offering memorandum which contains these and other important details. Reviewing the offering memorandum is essential before making an investment decision and you are strongly encouraged to discuss its contents with your Financial Advisor.

## **SYNOVUS INVESTMENT STRATEGIES PROGRAM**

SSI offers the Synovus Investment Strategies Program<sup>1</sup> ("SIS Program") through Envestnet Asset Management, Inc. ("Envestnet"). Envestnet is a registered investment adviser that operates a technology platform to assist SSI in providing a variety of managed account offerings, recommending asset allocations or specific investment managers and/or investment products to our clients. Envestnet is not affiliated with SSI. A complete description of the SIS Program and the services provided by Envestnet are outlined in Envestnet's ADV Part 2, which you should read carefully. The following describes SSI's offerings available through the SIS Program.

### **Separately Managed Account**

SSI offers a Separately Managed Account Program through our relationship with Envestnet. This provides our clients with access to more than 1000 investment strategies available from over 100 portfolio managers selected by Envestnet through their due diligence and portfolio manager evaluation processes. The Separately Managed Account Program is designed to provide our clients the ability to tailor an investment portfolio to their specific financial needs such as diversification or tax-conscious investing, along with affording clients further customization of their portfolio by placing reasonable investment restrictions on the types of assets allowed within the account. Portfolio managers are recommended based on the client's investment objectives as determined from the Client Risk Tolerance Questionnaire. Manager changes would be recommended if SSI's or Envestnet's due diligence reviews indicate the portfolio manager is no longer suitable for a particular investment strategy or if a client's investment objectives change. The minimum account value for the Separately Managed Account Program varies based upon the subadviser(s) chosen.

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<sup>1</sup> Synovus Managed Account Solutions Platform ("MAS") prior to October 3, 2016



## **Mutual Fund & ETF Asset Allocation Wrap Strategies Program ("Strategist Program")**

SSI offers mutual fund and ETF asset allocation portfolios ("fund portfolios") via the Envestnet platform. The Firm offers fund portfolios created by affiliated and unaffiliated investment advisers who directly manage the assets on or use one or more model portfolios created by one or more independent investment advisers (collectively "Strategist"). The Strategists available through SSI are first screened by Envestnet for inclusion on the Envestnet platform. From that pool, SSI then reviews and approves certain Strategists the Firm then makes available to our customers.

A number of no load/load-waived mutual funds or exchange-traded funds from various fund families are available within the portfolios. An asset allocation model is selected based on each client's risk score as determined by the Client Risk Tolerance Questionnaire (the "RTQ"). The client may modify the RTQ at any time by completing the requisite documentation with their adviser representative. After initial fund portfolio selection, the Strategists will make portfolio changes on a discretionary basis for their respective models as deemed necessary or appropriate to maintain the agreed upon investment approach.

SSI offers through the Strategist Program the innovatETF Strategies® managed by SSI's affiliate, GLOBALT. The innovatETF Strategies® employ an asset allocation strategy primarily using exchange-traded funds ("ETFs"). Portfolios are constructed to meet the stated investment objective based on each portfolio's corresponding risk parameters. ETFs are selected to represent various asset classes, sectors and industries, such as:

- U.S. equities – large-cap, mid-cap, small-cap, growth, value
- Foreign equities – developed markets, emerging markets, regions and/or countries
- U.S. fixed income – corporate, government, high yield, agency, municipal
- Real estate – real estate investment trusts
- Alternatives – metals and other commodities, absolute return funds, opportunistic investments
- Foreign debt – sovereign debt, emerging debt
- Cash – cash and short-term cash equivalents

More detailed information regarding GLOBALT innovatETF Strategies® can be found elsewhere in this brochure under the heading titled "GLOBALT Program".

When certain indicators utilized by GLOBALT suggest more volatility, risk and/or decelerating growth trends, the manager will seek to increase defensive allocations to fixed income, cash and inverse equity ETFs. Inverse ETFs generally rise when the associated market index is falling (and vice versa) and may be utilized in an effort to hedge the portfolios against market declines or with the intent to more efficiently position portfolios for opportunities aimed at maintaining value during extended periods of market volatility. There is no certainty that inverse ETFs will work always as expected. It should be understood that hedging techniques such as inverse ETFs may not always be available when desired and may not be effective in minimizing losses.

The minimum account value for the Strategist Program is \$50,000 except for the Synovus Foundations Series, which is \$15,000, and the GLOBALT Direct Program, which is \$75,000.

## **Advisor Directed Program**

SSI, through its licensed advisory representatives, provides asset management services to clients. The Advisor Directed Accounts are managed on an individualized basis. Clients have the option to assign investment discretion to SSI and select SSI investment advisory representatives (individually referred to as "Advisory Representative" and collectively "Advisory Representatives") whom the firm has approved to offer discretionary services. Alternatively, clients can elect to have their account managed on a non-discretionary basis whereby the SSI Advisory Representative provides recommendations to the client, who has ultimate decision-making authority in determining whether to proceed with any recommendation. For clients electing to open a discretionary account, SSI, through selected Advisory Representatives, has full

discretion to supervise, manage and direct the assets in the client's account within the mandates of the client's stated investment objectives, tolerance for risk, time horizon for investing the assets, and other suitability factors (collectively referred to as the "Client Investment Profile") provided to SSI by the client during the account opening and/or review process. Clients participating in either the discretionary or non-discretionary offering are free to change or update their Client Investment Profiles at any time by contacting the Advisory Representative assigned to the account, and should do so whenever the information previously provided to SSI is no longer current or accurate. By providing written notice to the Firm, clients may elect to revoke the discretion granted to SSI and/or the Advisory Representative and opt to have their Advisor Directed accounts managed on a non-discretionary basis. In such cases, the account will remain non-discretionary unless or until a client elects to grant discretion in writing to SSI and/or its Advisory Representative.

SSI may use professional services of other third parties, including its affiliates, in servicing either discretionary or non-discretionary Advisor Directed Accounts. Clients working with SSI's Advisory Representatives selected to offer discretionary Advisor Directed Accounts are limited to using only those investments approved by SSI's Investment Policy Committee based upon research and recommendations made by SSI's Investment Advisory Group. Investments and any strategy used are determined based upon the client's responses and completion of the RTQ. Though not an exhaustive list, SSI primarily utilizes mutual funds, stocks, bonds, exchange-traded funds, cash or cash equivalents. On a limited basis, clients participating in the non-discretionary Advisor Directed Program may also utilize options within their portfolios, subject to additional suitability and investor experience criteria specific to investing in options. Finally, clients in either discretionary or non-discretionary offerings have the option to provide specific guidelines or impose reasonable restrictions on the management of the portfolio. For this reason, each portfolio's investment results will differ, including those with similar investment objectives, and clients should not expect the performance of their portfolios will be identical with another client of SSI. The minimum account value for the Advisor Directed Account Program is \$100,000.

#### **Unified Managed Account ("UMA") Program**

Through our relationship with Envestnet, SSI offers the Unified Managed Account ("UMA") Program, which allows clients access to multiple investment strategies by using Separate Account Managers, mutual funds and/or ETFs, Strategists, model providers, and/or models provided by SSI to facilitate diversification within an individually managed account. The UMA program includes a Synovus-branded offering called Synovus Choice, offering access to a broad array of asset classes through use of mutual funds, ETFs, and/or Separate Account Managers. The fees associated with Synovus Choice are the same as SSI's other UMA offerings and, importantly, SSI representatives do not receive any extra financial compensation for recommending the Synovus Choice UMA over any other UMA program offered by SSI. The SSI Representative will structure the account based upon the client's stated goals and objectives as articulated through the RTQ. The minimum account value for the UMA Program is \$100,000.

In conjunction with offering the Synovus Choice UMA, SSI receives access to Envestnet Fiduciary Solutions Program ("EFS") free of charge. The EFS Program provides SSI additional access to research, watch lists, alerts, Large Case Support, Overlay Services and other Envestnet investment-related intellectual capital. Without offering the Synovus Choice UMA, SSI would have to pay Envestnet for access to the EFS Program. This creates the potential for a conflict of interest because without offering the Synovus Choice UMA, SSI would incur extra cost for the research content available from the EFS Program. To mitigate potential conflicts, SSI's cost-free access to the EFS Program is not contingent upon any minimum asset values in the Synovus Choice UMA program, nor are there any requirements to offer certain Separate Account Managers, mutual funds, ETFs, or any other products—including those proprietary to Envestnet or its affiliates. Furthermore, clients in the Synovus Choice UMA do not pay additional fees as compared to any other of SSI's UMA offerings, nor do SSI representatives receive more compensation for assets within the Synovus Choice UMA over assets in SSI's other UMA offerings. SSI's access to the EFS Program content is intended to benefit the Firm's customers by providing SSI associated persons additional research and

investment information used in the management of client assets.

## **GLOBALT PROGRAM**

SSI recommends the money management services of its affiliate GLOBALT, a registered investment adviser through a separately identifiable division of Synovus Trust Company N.A., a nationally chartered trust company. GLOBALT is recommended to clients based upon each client's responses to a Risk Tolerance Questionnaire and the client's stated investment objective(s). The compensation paid to SSI and your representative when using GLOBALT as a money manager is priced the same as if choosing similar unaffiliated money managers. Since SSI and GLOBALT are ultimately under common control by Synovus Financial Corp, Synovus as a whole financially benefits through SSI's receipt of advisory fees and GLOBALT's receipt of money management fees. Clients have access to the GLOBALT innovatETF Strategies® and Separately Managed Accounts ("SMA") via our Synovus Investment Strategies Program ("SIS") or through SSI's direct relationship to GLOBALT. The innovatETF Strategies®/SMA products and the SSI representative's compensation are the same regardless of the Program used to access GLOBALT. Because Synovus has additional costs associated with the SIS Program, Synovus retains more of your fee when you access GLOBALT directly. However, the fees you pay for investing in the innovatETF Strategies®/SMA products via the Envestnet platform are higher by a maximum of seven basis points (i.e., seven one-hundredths of one percent) due to the platform fees charged by Envestnet.

GLOBALT provides discretionary investment management services to clients and offers multiple strategies that include:

### **innovatETF Strategies®**

The innovatETF Strategies employ an asset allocation strategy primarily using exchange-traded funds ("ETFs"). Portfolios are then constructed to meet the investment objective based on each portfolio's corresponding risk parameters. ETFs are selected to represent various asset classes, sectors and industries, such as:

- U.S. equities – large-cap, mid-cap, small-cap, growth, value
- Foreign equities – developed markets, emerging markets, regions and/or countries
- U.S. fixed income – corporate, government, high yield, agency, municipal
- Real estate – real estate investment trusts
- Alternatives – metals and other commodities, absolute return funds, opportunistic investments
- Foreign debt – sovereign debt, emerging debt
- Cash – cash and short-term cash equivalents

When certain indicators utilized by GLOBALT suggest volatility, risk and/or decelerating growth trends, the manager will seek to increase defensive allocations to fixed income, cash and inverse equity ETFs. Inverse ETFs generally rise when the associated market index is falling (and vice versa) and may be utilized in an effort to hedge the portfolios against market declines or with the intent to more efficiently position portfolios for opportunities aimed at maintaining value during extended periods of market volatility. There is no certainty that inverse ETFs will work always as expected. It should be understood that hedging techniques such as inverse ETFs may not always be available when desired and may not be effective in minimizing losses.

### **Income-Growth**

This portfolio is designed for the investor looking for current income and income growth, with a secondary consideration of capital appreciation. This strategy seeks to provide above-market income stream and to temper volatility by exposure to dividend-paying securities through investments primarily in domestic and international equity and fixed income exchange-traded funds, REITs and some alternatives.

**Defensive**

This strategy, with a fixed income bias, is designed for investors with a cautious risk tolerance and/or a shorter investment time horizon. The focus of the strategy, primarily utilizing ETFs, is to mitigate overall volatility and provide downside protection, while producing total investment returns consistent with a more conservative portfolio over a market cycle.

**Conservative**

This portfolio is designed for the cautious investor, one with a lower risk tolerance and/or a shorter investment time horizon. The portfolio combines modest potential for capital appreciation with potential for downside protection by investing in a diversified portfolio, generally with a fixed income bias.

**Balanced**

This portfolio is designed for the investor who wants to achieve steady growth while limiting fluctuation to less than that of the overall stock market. The portfolio combines investments primarily in equity and fixed income exchange-traded funds to provide investors with balanced and varied exposure to the stock and bond markets. This portfolio is designed for investors who primarily seek long-term capital appreciation with a more moderate risk profile.

**Growth**

This portfolio is designed for investors with a relatively high tolerance for risk and a longer investment time horizon. The main objective of this portfolio is capital appreciation, and investors should be able to tolerate fluctuations in their portfolio values. While this portfolio will experience volatility like that of the equity markets, exposure to fixed-income markets may lower the volatility relative to an all-equity portfolio.

**Environmental Social and Governance Growth (ESGG)**

This strategy seeks long-term capital appreciation and is designed for an investor with a relatively higher risk tolerance and longer time horizon. The strategy is managed by the same investment process as the innovatETF Growth Strategy, with the exception of the security selection component. ETFs selected in this strategy have the ESG criteria integrated into their investment methodology, whereas the innovatETF Growth Strategy does not retain that requirement. Certain market segments do not allow for ESG criteria but are included in the portfolio. Selections are based on various factors such as similarities to the non-ESG innovatETF Growth Strategy, alternatives, market capitalization, trading liquidity, and expenses.

**High Growth**

This portfolio is designed for investors who have both a higher tolerance for risk and a longer investment time horizon. The main objective of this portfolio is to construct a high-growth portfolio. Investors should be able to tolerate substantial fluctuations in portfolio value from year to year. The portfolio seeks long-term capital appreciation through investments primarily in domestic and international equity exchange-traded funds.

**International Equity**

This portfolio is designed for the investor with a higher risk tolerance and long investment time horizon. The portfolio is a diversified multi-country portfolio with exposure to both developed and emerging markets through investments primarily in international equity ETFs. This strategy is benchmarked to the MSCI World ex-US and MSCI ACWI ex-US indexes.

**Fixed Income**

This fixed income portfolio is designed for investors with an income investment objective. The focus of the strategy, utilizing ETFs, is to provide a diverse fixed income allocation with similar investments and objectives comparable to the Barclays Capital Government/Credit Bond Index.

## **Separately Managed Accounts**

SSI provides clients access to certain GLOBALT Separately Managed Account offerings. GLOBALT manages such accounts on a discretionary basis in accordance with each client's stated goals, objectives, appetite for risk and other parameters mutually agreed upon between the client and GLOBALT. Following are descriptions of the GLOBALT Separately Managed Account offerings available to SSI's clients.

### **Equity Strategies-Large Cap Core**

This equity portfolio consists primarily of large cap U.S. equities representing multiple sectors and/or industries and includes securities characteristic of the S&P 500 Index.

### **Equity Strategies-Large Cap Core Growth**

This equity portfolio consists primarily of large cap U.S. growth equities representing multiple sectors and/or industries and includes securities characteristic of the S&P 500 Index and Russell 1000 Growth Index. The strategy focuses on higher growth and lower income generating securities.

### **Equity Strategies-Equity Income**

This portfolio consists primarily of large cap U.S. equities representing multiple sectors and/or industries and includes securities characteristics of the S&P High Yield Dividend Aristocrats Index. The Index is "designed to measure the performance of the 60 highest dividend yield S&P Composite constituents, which have followed a managed dividends policy of consistently increasing dividends every year for at least 25 years." The Strategy has a yield target at least 1.5x that of the S&P 500 Index. The portfolio has a minimum target to invest 90% of holdings in dividend paying securities.

### **Equity Strategies-Environmental, Social & Governance ("ESG")**

This portfolio integrates ESG considerations characteristics and analysis into our investment decision making process, at both the individual security and holistic portfolio level; while excluding stocks of specific companies involved in certain business models such as alcohol, tobacco, gambling, and adult entertainment. Portfolios are constructed to have overall ESG characteristics. GLOBALT utilizes a third-party ESG information provider, Sustainalytics for its quantitative ESG metrics and characteristics. There is not a specific threshold score that evaluates individual companies for inclusion or exclusion from the portfolio. The Risk Rating Score is evaluated in the context of its Sector Peer scores and factors of the overall portfolio.

### **Fixed Income Strategies-Short Term Fixed Income Three Months to Three Years**

This portfolio is managed and monitored with a weighted average maturity ranging from 3 months to 3 years, consisting of fixed income products to include: certificates of deposit, U.S. government treasury bills and bonds, investment grade corporates, U.S. government agencies, investment grade municipal bonds and fixed income ETF's. Objectives are benchmarked to Barclays Capital 1-3 Year Government/Credit Index.

### **Fixed Income Strategies-Intermediate Term Fixed Income**

This portfolio is managed and monitored with a weighted average maturity between 3 and 10 years, consisting of fixed income products to include: certificates of deposit, U.S. government treasury bills and bonds, investment grade corporates, U.S. government agencies and investment grade municipal bonds.

### **Fixed Income Strategies-State Tax-Free**

This portfolio provides state tax-free income, invested primarily with state and local municipal bonds, with similar investments and objectives benchmarked to Barclays Capital 10 Year Municipal Bond Index.

The minimum account sizes for the innovatETF Strategies®, the Equity Strategies, and the Fixed Income Strategies are \$75,000, \$100,000 and \$1,000,000 respectively. These minimums can be met by combining household assets. SSI may accept accounts below these stated minimums upon approval from GLOBALT. A

complete description of GLOBALT and the services they provide are outlined in GLOBALT's ADV Part 2, which you should read carefully.

A complete description of GLOBALT and the services provided by GLOBALT are outlined in GLOBALT's ADV Part 2, which you should read carefully.

### SSI INDIVIDUALLY MANAGED ACCOUNT PROGRAM

SSI provides asset management services to clients and manages each client's account on an individualized basis. Accounts may be managed on a discretionary or non-discretionary basis, depending on the needs of the client. SSI may use professional services of other third parties, including its affiliates, in managing accounts. Investments are determined based upon the client's investment objectives, risk tolerance, net worth, net income and various other suitability factors. Clients may provide specific guidelines or impose reasonable restrictions on the management of the portfolio. For this reason, performance of portfolios, including those within the same investment objective, is likely to differ and clients should not expect that the performance of their portfolios will be identical with another client of SSI. SSI only accepts accounts that have a minimum asset value of \$100,000. However, accounts with a lesser value may be accepted at SSI's discretion.

### OUTSIDE MONEY MANAGER PROGRAM

Synovus Securities, Inc. may refer customers to other investment advisers or portfolio managers outside of the various Programs listed above. SSI recommends the money management services of both affiliates (e.g. GLOBALT) and non-affiliates ("Manager" or collectively "Managers"). Managers are recommended based upon the investment objectives of the client, but the ultimate decision to hire an outside manager is made by each client. SSI regularly monitors and reviews the services provided by the Manager and will recommend changes if the Manager is no longer suitable for a particular investment strategy or if a client's investment objectives change. Clients participating in the Outside Money Manager Program complete customer investment profile information and/or questionnaires designed to identify their investment objectives and risk appetite.

Each Manager imposes account minimums varying from \$25,000 to \$5,000,000. SSI will recommend managers for whom the client meets the minimum investment amount. SSI has no ability to waive the minimum account size imposed by any particular manager.

## Standard Program Fee Schedules

### SSI SYNOVUS INVESTMENT STRATEGIES

Clients' payments for advisory services contain three general components: (a) fees paid to SSI for investment advice and related services; (b) fees paid to the subadviser(s) managing the portfolio; (c) fees paid to Envestnet for use of their technology platform and administration of client accounts. The total cost to a client is the combination of these fee components and the following shows the maximum costs associated with each program offered.

#### Separately Managed Account (SMA) Program

Synovus Investment Strategies SMA program fees are billed monthly in advance based on the prior month's ending market value. The annual rates are shown in the table that follows:

SYNOVUS INVESTMENT STRATEGIES SMA PROGRAM			
Asset Range	Amount paid to SSI	Amount paid to subadviser(s)*	Amount paid to Envestnet†
first \$500,000	1.40%	0.13% to 1.02%	0.14%
next \$500,000	1.30%	0.13% to 1.02%	0.14%
next \$1,000,000	1.20%	0.13% to 1.02%	0.14%
Amount over \$2,000,000	1.10%	0.13% to 1.02%	0.14%
<i>Account Minimum†</i>	<i>Varies by subadviser chosen</i>		

\*The subadvisers used in these Programs charge varying fees as represented above. The fees' variance is impacted by various factors such as, but not limited to, portfolio objective, securities used within the portfolio, sectors and/or geographic regions represented in the portfolios' holdings. SSI does not set the amount charged by subadvisers. The total percentage of fees a client will pay for their investment advisory account, inclusive of the specific subadvisory fees, are provided to clients no later than at the time of each account's establishment.

\*Envestnet has contractually agreed to share a portion of these fees with SSI, contingent upon reaching certain levels of assets under management. Please refer to the description of this fee sharing agreement described earlier in Item 5. SSI has certain compensation arrangements in place that provide more compensation to the Advisor than the amount paid to SSI listed above. The additional compensation will be paid by SSI. These compensation arrangements will not increase the amount paid by the client to SSI.

† The minimums may be waived at the sole discretion of SSI and/or the program's money manager

## **Advisor Directed Program and Mutual Fund/ETF Asset Allocation Wrap Strategies Program ("Strategist")**

Synovus Investment Strategies Strategist program fees are billed monthly in advance based on the prior month's ending market value. The annual rates are shown in the table that follows:

	SYNOVUS INVESTMENT STRATEGIES-STRATEGIC ALLOCATION PROGRAM		
Asset Range	Amount paid to SSI	Amount paid to subadviser(s)*	Amount paid to Envestnet <sup>+</sup>
First \$500,000	1.26%	0.00% to 0.18%	0.14%
Next \$500,000	1.16%	0.00% to 0.18%	0.14%
Next \$1,000,000	1.06%	0.00% to 0.18%	0.14%
Amount over \$2,000,000	0.96%	0.00% to 0.18%	0.14%
Account Minimum <sup>†</sup>	\$50,000		
	SYNOVUS INVESTMENT STRATEGIES-TACTICAL ALLOCATION PROGRAM		
Asset Range	Amount paid to SSI	Amount paid to subadviser(s)*	Amount paid to Envestnet <sup>+</sup>
First \$500,000	1.30%	0.25% to 0.35%	0.14%
Next \$500,000	1.20%	0.23% to 0.30%	0.14%
Next \$1,000,000	1.10%	0.20% to 0.25%	0.14%
Amount over \$2,000,000	1.00%	0.15% to 0.25%	0.14%
Account Minimum <sup>†</sup>	\$50,000		
	SYNOVUS INVESTMENT STRATEGIES-FOUNDATIONS		
Asset Range	Amount paid to SSI	Amount paid to subadviser	Amount paid to Envestnet <sup>+</sup>
First \$500,000	1.15%	0.10%	0.10%
Next \$1,500,000	1.05%	0.10%	0.10%
Amount over \$2,000,000	0.95%	0.10%	0.10%
Account Minimum <sup>†</sup>	\$15,000		
	SYNOVUS INVESTMENT STRATEGIES-ADVISOR DIRECTED PROGRAM		
Asset Range	Amount paid to SSI <sup>‡</sup>	Amount paid to Envestnet <sup>+</sup>	
first \$500,000	1.46%	0.08%	
next \$500,000	1.36%	0.08%	
next \$1,000,000	1.26%	0.08%	
Amount over \$2,000,000	1.16%	0.08%	
Account Minimum <sup>†</sup>	\$100,000		

\*The subadvisers used in these Programs charge varying fees as represented above. The fees' variance is impacted by various factors such as, but not limited to, portfolio objective, securities used within the portfolio, sectors and/or geographic regions represented in the portfolios' holdings. SSI does not set the amount charged by subadvisers. The total percentage of fees a client will pay for their investment advisory account, inclusive of the specific subadvisory fees, are provided to clients no later than at the time of each account's establishment.

\*In addition to the amount paid to SSI for advisory services, clients also pay to SSI the portfolio construction fee which is reflected in the column titled Amount paid to SSI. This fee is like the amount paid by clients utilizing subadvisers to construct and manage portfolios. As a result, the portion of a client's total fee paid to, and retained by SSI, is more than other Strategist programs since SSI does not have to pay a portion of the client fees to another



subadviser. This presents a potential conflict of interest whereby the Advisor Directed Program is recommended over the other Wrap Strategist Allocation Programs. However, clients using the Advisor Directed Program may find their overall cost to be less than other Strategist programs depending on the management fee charged by the subadviser. Moreover, SSI does not receive additional compensation (e.g., revenue sharing) from the fund companies utilized within the Advisory Directed Program models.

\*Envestnet has contractually agreed to share a portion of these fees with SSI, contingent upon reaching certain levels of assets under management. Please refer to the description of this fee sharing agreement described earlier in Item 5. SSI has certain compensation arrangements in place that provide more compensation to the Advisor than the amount paid to SSI listed above. The additional compensation will be paid by SSI. These compensation arrangements will not increase the amount paid by the client to SSI.

† The minimums may be waived at the sole discretion of SSI and/or the program's money manager.

### Unified Managed Account Program

Synovus Investment Strategies UMA program fees are billed monthly in advance based on the prior month's ending market value. The annual rates are shown in the table that follows:

SYNOVUS INVESTMENT STRATEGIES-UMA PROGRAM			
Asset Range	Amount paid to SSI	Amount paid to subadviser(s)*	Amount paid to Envestnet†
First \$500,000	1.40%	0.15% to 0.67%	0.13%
Next \$500,000	1.30%	0.15% to 0.67%	0.13%
Next \$1,000,000	1.20%	0.15% to 0.67%	0.13%
Amount above \$2,000,000	1.10%	0.15% to 0.67%	0.13%
Account Minimum†	\$100,000		

\*The subadvisers used in these Programs charge varying fees as represented above. The fees' variance is impacted by various factors such as, but not limited to, portfolio objective, securities used within the portfolio, sectors and/or geographic regions represented in the portfolios' holdings. SSI does not set the amount charged by subadvisers. The total percentage of fees a client will pay for their investment advisory account, inclusive of the specific subadvisory fees, are provided to clients no later than at the time of each account's establishment.

\*Envestnet has contractually agreed to share a portion of these fees with SSI, contingent upon reaching certain levels of assets under management. Please refer to the description of this fee sharing agreement described earlier in Item 5. SSI has certain compensation arrangements in place that provide more compensation to the Advisor than the amount paid to SSI listed above. The additional compensation will be paid by SSI. These compensation arrangements will not increase the amount paid by the client to SSI.

† The minimums may be waived at the sole discretion of SSI and/or the program's money manager

### GLOBALT PROGRAM

Clients' payments for advisory services contains two general components: (a) fees paid to SSI for investment advice and related services; (b) fees paid to the subadviser (GLOBALT) managing the portfolio. The total cost to a client is the combination of these fee components and the following shows the maximum costs associated with each program offered.

	GLOBALT innovatETF STRATEGIES (EXCEPT FIXED INCOME)		FIXED INCOME
Asset Range	Amount paid to SSI	Amount paid to GLOBALT*	Amount paid to GLOBALT*
First \$500,000	1.30%	0.45%	0.25%
Next \$500,000	1.20%	0.40%	0.25%
Next \$1,000,000	1.10%	0.30%	0.25%
Amount above \$2,000,000	1.00%	0.25%	0.25%
Account Minimum†	\$75,000		
	GLOBALT EQUITY SEPARATELY MANAGED ACCOUNTS (SMA)		
Asset Range	Amount paid to SSI	Amount paid to GLOBALT*	
First \$500,000	1.40%	0.45%	
Next \$500,000	1.30%	0.40%	
Next \$1,000,000	1.20%	0.30%	
Amount above \$2,000,000	1.10%	0.25%	
Account Minimum*	\$100,000		



*\*Some of the GLOBALT innovatETF Strategies are also available through Synovus Investment Strategies-Tactical Allocation Program offered via the Envestnet platform. The total cost paid by clients accessing the innovatETF Strategies via the Envestnet platform cost up to an additional 7 basis points (0.07%) because of the platform fee charged by Envestnet. SSI may receive a portion of the platform fee paid to Envestnet. Please refer to the fee sharing agreement description provided earlier in Item 5 for addition details. GLOBALT is an affiliate of SSI, and the fees clients pay to GLOBALT through this direct offering is more than GLOBALT receives for accounts introduced to them through Envestnet. This is because GLOBALT is responsible for the trading of client accounts directly managed whereas accounts introduced to GLOBALT via the Envestnet program are traded by Envestnet. The minimums may be waived at the sole discretion of SSI and/or GLOBALT.*

GLOBALT FIXED INCOME SEPARATELY MANAGED ACCOUNTS (SMA)		
Asset Range	Amount paid to SSI	Amount paid to GLOBALT*
First \$500,000	1.40%	0.30%
Next \$500,000	1.30%	0.30%
Next \$1,000,000	1.20%	0.25%
Next \$8,000,000	1.10%	0.25%
Amount above \$10,000,000	1.10%	0.20%
Account Minimum*	\$1,000,000	

*\*Some of the GLOBALT innovatETF Strategies are also available through Synovus Investment Strategies-Tactical Allocation Program offered via the Envestnet platform. The total cost paid by clients accessing the innovatETF Strategies via the Envestnet platform cost up to an additional 7 basis points (0.07%) because of the platform fee charged by Envestnet. SSI may receive a portion of the platform fee paid to Envestnet. Please refer to the fee sharing agreement description provided earlier in Item 5 for addition details. GLOBALT is an affiliate of SSI, and the fees clients pay to GLOBALT through this direct offering is more than GLOBALT receives for accounts introduced to them through Envestnet. This is because GLOBALT is responsible for the trading of client accounts directly managed whereas accounts introduced to GLOBALT via the Envestnet program are traded by Envestnet. The minimums may be waived at the sole discretion of SSI and/or GLOBALT.*

## SSI INDIVIDUALLY MANAGED ACCOUNT AND OUTSIDE MONEY MANAGER PROGRAMS

Depending on the money manager, fees are either billed monthly or quarterly in advance based on the prior month's/quarter's ending market value. The annual rates are shown in the table that follows:

INDIVIDUALLY MANAGED ACCOUNTS AND OUTSIDE MONEY MANAGER PROGRAM			
Asset Range	Amount paid to SSI	Amount paid to subadviser(s)*	Amount paid for technology platform
first \$500,000	1.40%	0.30% to 1.00%	None
next \$500,000	1.30%	0.30% to 1.00%	None
next \$1,000,000	1.20%	0.30% to 1.00%	None
Amount over \$2,000,000	1.10%	0.30% to 1.00%	None
Account Minimum†	Varies by subadviser chosen		

*\*The subadvisers used in the Separately Managed Account Program charge varying fees as represented above. The fees' variance is impacted by a variety of factors such as, but not limited to, portfolio objective, securities used within the portfolio, and sectors or geographic region represented in the portfolios' holdings. SSI does not set the amount charged by subadvisers. The total amount a client will pay for their investment advisory account, inclusive of the specific subadvisory fees, are provided to clients no later than at the time of each account's establishment.*

*†The minimums may be waived at the sole discretion of SSI and/or the money manager.*

## Item 5 – Account Requirements and Types of Clients

SSI generally provides services to individuals, high net worth individuals, banks or thrift institutions, pension and profit sharing plans, corporations, and trusts, estates and charitable organizations.

Each investment Program offered by SSI imposes an account minimum in order to be eligible for the Program. SSI, in its sole discretion, may waive the minimum asset size for any of its investment Programs. However, to the extent that the client does not meet the minimums imposed by a portfolio manager or program sponsor, SSI may not have the ability to waive those requirements.

SSI provides offerings to investors seeking to roll over balances held in employer-sponsored retirement plans (often referred to as a "rollover"). Individuals with investments in a former employer's retirement plan generally have five options for those assets: (1) Leave the investments in that plan, (2) roll the assets into his/her new employer's plan, (3) rollover the money to an Individual Retirement Account, (4) liquidate the

investments and cash out the money, or (5) some combination of the previous four options. Each option presents different considerations—including tax implications—and no one solution is right for every investor. We encourage you to talk with your adviser about these options and to consult with a tax professional regarding the potential impacts each of the options may have to your specific situation. SSI has an economic incentive to recommend a rollover because assets rolled into one of our advisory programs will generate investment management fees. In discussing and evaluating your options, it is important you know you are under no obligation to rollover assets to us.

Information about minimum account size requirements for each Program can be found in Item 4.

## **Item 6 – Portfolio Manager Selection and Evaluation**

Managers are selected for each client based on the specific needs of each client. Clients provide information which is used to determine their risk tolerance, time horizon, asset allocation and overall investment objectives.

SSI offers advisory services through the Programs described in Item 4 of this Brochure. The Programs involve the selection of investment models or separate account managers based on the assessment of each client's investment goals and objectives.

SSI has implemented a due diligence process to review various facets of the manager's business, such as investment style, performance, portfolio management, trading and operations, and compliance. With respect to the SIS Program described earlier in this Brochure, SSI employs use of both internal and external resources as part of the due diligence process. Envestnet, as part of the services they perform for SSI, conduct reviews of prospective and current money managers approved for inclusion on the platform used for the SIS Program. SSI leverages the research and assessment Envestnet performs of third-party money managers for the following SIS offerings:

- Separately Managed Account Program;
- Strategist Program; and,
- Unified Managed Account Program.

Details concerning these program offerings are found under Item 4 of this Brochure.

SSI's Investment Advisory Group researches and evaluates prospective and current money managers and/or investment model providers utilized via the SIS Program, primarily in connection with the Advisor Directed offering, as described in Item 4 of this brochure. Information, reviews and recommendations prepared by SSI's Investment Advisory Group are supplied to SSI's Due Diligence Committee, who has final authority to add or remove a money manager or investment model provider from the Firm's offerings. The composition and asset allocation of each client portfolio may differ depending on a variety of factors, including client specific investment goals, risk tolerance, and overall economic and market conditions. While not the primary focus of the SSI Investment Advisory Group, team personnel may from time to time also perform due diligence reviews of other SIS Platform money managers previously reviewed by Envestnet to gain additional perspective and information in support of SSI's general oversight efforts of the Firm's selected advisory partners.

Depending on the Program selected, performance information may be prepared by the individual managers and may not be calculated on a uniform and consistent basis. Performance calculations have not been reviewed by any third party to confirm its accuracy.

GLOBALT, an affiliate of SSI, may manage accounts through the various Programs offered by SSI and therefore, will receive a portion of the Program Fee paid by the client. Affiliated managers are subject to a similar due diligence process as unaffiliated managers. To the extent that an account uses an affiliated manager such as GLOBALT, SSI and/or its affiliates will earn higher overall fees. The compensation paid to SSI and your representative when using GLOBALT as a money manager is priced the same as if choosing similar unaffiliated money managers. Since SSI and GLOBALT are ultimately under common control by Synovus Financial Corp, Synovus as a whole financially benefits through SSI's receipt of advisory fees and GLOBALT's receipt of money

management fees. The fees associated with this Program may cost the client more or less than purchasing such services elsewhere.

## **Item 7 – Client Information Provided to Portfolio Managers**

When a client selects a portfolio manager, the client provides information which is used to determine their risk tolerance, time horizon, asset allocation and overall investment objectives. From that data, SSI provides the portfolio manager with relevant personal information about the client (i.e. name, address and other identifying information) as well as certain financial information to provide evidence that the manager's investment strategy suits the client's needs. Information is provided to the portfolio manager initially when the manager is selected and updated subsequently when there are any material changes to the client's information.

## **Item 8 – Client Contact with Portfolio Managers**

Client relationships are managed by SSI Representatives. Third party managers are not directly accessible to SSI clients. However, at a client's request, SSI will make an attempt to arrange a conference call with the third party manager. Because GLOBALT is an affiliate and if the situation permits, SSI can coordinate a telephone conference call or client meeting (in extraordinary circumstances) with the portfolio manager.

## **Item 9 – Additional Information**

### **Disciplinary Information**

Synovus Securities, Inc. is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of SSI or the integrity of SSI's management. SSI does not have any disciplinary events to disclose.

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

SSI is also a broker-dealer registered with the Securities and Exchange Commission, FINRA and various state regulatory agencies. In this capacity, SSI is involved in the sale of various types of securities, such as stock, bonds, and mutual funds. Employees providing investment advisory services to clients are also registered representatives and are able to affect securities transactions on behalf of clients. Clients may maintain SSI brokerage accounts that are not advisory accounts. In these accounts, SSI Representatives are compensated based on commissions or other fees paid by the client as a result of the purchase or sale of an investment product. This may represent a conflict of interest when determining recommendations for the client, as there is an incentive to recommend investment products based on the compensation received rather than on the client's needs.

Brokerage services are offered to clients generally on a non-discretionary basis. Except in rare instances whereby a customer has granted an SSI representative written discretionary authority, transactions are approved by the client in advance and clients receive trade confirmations inclusive of the commissions charged. Moreover, representatives of SSI do not receive separate commissions on advisory accounts. Likewise, advisory fees are not charged on non-advisory brokerage accounts. SSI recognizes that a potential conflict exists when SSI offers both brokerage services and investment advisory services to its clients. SSI requires its Representatives, when offering both types of services, to explain the different services and identify the capacity in which they are acting when making recommendations.

SSI is a licensed insurance company in all five of the Firm's footprint states including Georgia, Florida, Alabama, South Carolina, Tennessee and various other states outside the company's brick and mortar locations in the aforementioned footprint states. Additionally, SSI has affiliations with other insurance companies in those states. Individuals of SSI may also be licensed insurance agents. To the extent that a representative of SSI recommends insurance products and services, SSI and/or the representative will receive commissions on the sale of those products. These commissions are paid directly from the insurance company underwriting the insurance policy and are not paid separately by the client. In addition, SSI may receive additional

compensation from one or more of its insurance partners upon meeting a pre-determined level of business production with the carrier(s).

SSI also offers investment advisory services under a separate division, known as Creative Financial Group (CFG). Advisory services offered through CFG are substantially different than the services offered through SSI's wrap programs. CFG's business practices are described in a separate Brochure, which is available upon request.

SSI is a wholly owned subsidiary of Synovus Financial Corp. a publicly traded financial services company and a registered bank holding company headquartered in Columbus, Georgia. Synovus provides integrated financial services including commercial and retail banking, financial management, insurance and mortgage services to its customers through Synovus Bank.

SSI is under common control with the following entities that have material business arrangements with SSI. Certain employees, directors and members of SSI's executive management may also serve as employees, directors and/or executive management of these entities:

**GLOBALT** *(a Registered Investment Adviser through a separately identifiable division of Synovus Trust Company N.A.)*

3400 Overton Park Dr. SE, Suite 200  
Atlanta, GA 30339

**Synovus Trust Company, N.A.** *(a National Trust Company)*

1111 Bay Avenue  
Columbus, Georgia 31901

**Synovus Bank** *(a Georgia state chartered bank)*

1111 Bay Avenue #500  
Columbus, Georgia 31901

As described previously in this Brochure, GLOBALT, an affiliate of SSI, may manage accounts through the various Programs offered by SSI and therefore, will receive a portion of the fee as outlined in the client fee schedule. To the extent that the client chooses to use an affiliated manager, and/or uses their advisory wrap account assets a collateral for a loan obtained from Synovus Bank, SSI and/or its affiliates will earn higher overall fees. The fees associated with this program may cost the client more or less than purchasing such services elsewhere.

In limited circumstances advisory clients may utilize the custody services of Synovus Trust Company. These arrangements are usually initiated by the trust company. As a general practice, SSI does not refer advisory clients to Synovus Trust Company for custody services. In the normal course of its business, SSI Representatives may refer clients that are in need of Trust services to Synovus Trust Company. SSI is compensated for such referrals and such compensation is shared with the Representative. Neither SSI nor its Representatives provide additional advisory services to the client.

In coordination with NFS, SSI also offers to brokerage and investment advisory customers the participation in the Bank Sweep Program as their core investment vehicle, subject to the exclusions noted under Item 10 of this Brochure. Participants in the program have free credit balances within their brokerage/investment advisory account automatically swept to an interest bearing bank deposit account at Synovus Bank, a Federal Deposit Insurance Corporation ("FDIC") member bank and SSI affiliate. Client balances swept into a deposit account at Synovus Bank are eligible for FDIC insurance coverage up to \$250,000 per depositor in each insurable capacity. Examples of separate insurable capacities include the following non-exhaustive list: individual accounts, joint accounts, certain trust arrangements, etc. However, a client's cash balance in the Bank Sweep Program is subject to aggregation with other deposit assets the client has at Synovus Bank outside of the Bank Sweep Program. Neither SSI nor Synovus Bank will monitor the aggregate amount of deposits a client has with Synovus Bank either directly or through participation in the Bank Sweep Program to determine the extent of deposit insurance coverage available at any time for program participants. Therefore, each client

participating in the Bank Sweep Program is responsible for monitoring the aggregate total of deposited assets and determining the extent of deposit insurance applicable to the client's deposits.

Through the Bank Sweep Program arrangement, SSI and its affiliates benefit financially. Synovus Bank earns net income from the difference in interest paid to the Bank Sweep Program participants for balances held in their core investment accounts and income received from new lending or investment activity derived from the program deposits (referred to as "spread"). As with any depository institution, Synovus Bank's income increases when the spread between interest paid and income received widens. Synovus Bank has no obligation to base its interest payments to the Bank Sweep Program participants on the profitability of the income generated from the spread. In addition, SSI receives from Synovus Bank an annual fee ranging from \$25 to \$50 for each account participating in the Bank Sweep Program. Together, these financial benefits to SSI and its affiliates create a conflict of interest as accounts participating in the program may be more profitable to Synovus than those who do not participate. To address this conflict, clients may decline participation in the Bank Sweep Program and SSI offers alternative choices for core investment vehicles for free credit balances. In addition, SSI excludes eligibility from the Bank Sweep Program any ERISA plan accounts (e.g., 401(k), Pension Plans, Profit Sharing Plans, and Money Purchase Plans, etc.) and any foreign domiciled account. Lastly, at the time of account opening, or election into the program, clients eligible for participation in the Bank Sweep Program are provided with important disclosure documents and agreements containing further details. These documents may be obtained at any time free of charge upon the request of current or prospective clients.

From time to time, clients may elect to use margin lending or pledge assets held in their advisory accounts as collateral for a loan. **In such instances, clients are exposed to unique risks not otherwise inherent to their advisory accounts and this strategy is not suitable for everyone.** Before a client decides to use margin lending or pledge their advisory assets as collateral for a loan, care must be given to consider the following:

- Changes in market conditions could impact your account at any time and affect the value of the securities in your account to establish and maintain margin or pledged as collateral. Should the value of your assets fall below the amount of your loan or margin maintenance requirement, you may be unable to draw upon your account, pledged securities may need to be sold for less than the original price you paid, and/or other appropriate steps may need to be taken to ensure you can still meet your obligation to your margin lender (NFS) or Synovus.
- If you are required to sell some of the margined or pledged securities, any long-term investment strategies and goals may be impacted. Therefore, it is important you discuss with your advisory representative your investment goals, objectives, risk tolerance, strategies and time horizon concerning any advisory account in which you employ margin or pledge as collateral.
- Should loan repayment terms not be met, the lender may instruct us to sell some or all margined or pledged securities as payment against the loan. In this instance, you are not able to choose which securities are liquidated. You would also be responsible for any shortfall in the loan after such sale. It is essential that you carefully review the provisions outlined in your loan agreement and the corresponding collateral control agreement, as it contains details such as who has trading authority, amongst other important information.
- SSI is not a tax advisor. We encouraged you to discuss with your tax professionals the implications of using margin or pledging securities as collateral.
- SSI is an affiliate of Synovus Bank (the "Bank"), and both are subsidiaries of Synovus Financial Corp. By establishing an investment advisory account used to collateralize a loan, you will be responsible for paying to SSI any advisory/management fees, and any other fees as outlined in Item 5 of this Brochure, in addition to paying to the Bank any interest, fees, or other agreed upon expenses. Your SSI advisory representative may also be a dual employee of the Bank, and your Bank loan officer may also be an advisory representative of SSI. SSI advisory representatives and/or the Bank's loan officers may receive incentive compensation relating to loans and advisory accounts used as collateral.

- There is no guarantee that returns of any advisory account will meet or exceed your loan costs. Carefully consider the interest rate and repayment terms of the loan before making a final decision.

As part of its relationship with NFS, SSI's clients have access to margin lending financed through NFS. Clients must apply and qualify for this additional service. Use of margin introduces additional risks and it not a strategy suitable for everyone. These special risks are covered in more detail under Item 8 of this brochure. Moreover, clients electing the use of margin will be subject to interest charges on any amount borrowed. The interest paid by the investor is in addition to the asset management fees paid. SSI receives from NFS a portion of the margin interest paid by investors. This creates a conflict of interest whereby SSI receives an economic benefit from both margin interest and the asset management fees charged. SSI mitigates this conflict by limiting the use of margin within advisory accounts to only a select number of overlay programs that employ the use of option securities and further limits the availability of such programs to investors meeting eligibility requirements such as a high liquid net worth and investible assets. Margin borrowing is not allowed in advisory accounts outside of these select overlay programs.

### **Code of Ethics**

SSI's Code of Ethics (the "Code") sets forth a professional business standard to guide SSI and its employees to place our clients' interests before our own. No SSI associated person shall prefer his or her own interest to that of the advisory client. SSI requires its associated persons to act in accordance with applicable federal, state and regulatory agency regulations governing investment advisory practices. The standards of conduct outline our fiduciary responsibilities and the Code includes our policies related to insider trading, personal securities transactions, privacy of client information and reporting requirements.

SSI's employees may purchase and sell securities for their own accounts that have also been recommended to clients. The Code is designed to prevent personal securities transactions and interests of SSI employees from interfering with making decisions in the best interest of clients. Nonetheless, because the Code permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Certain security types, such as Initial Public Offerings and Private Placements, may be prohibited or subject to a pre-clearance requirement. SSI's associated persons are required to provide a quarterly report to the Firm's Compliance Department showing investment transactions in their personal accounts, as well as disclosing annually all securities held on their behalf. Governing regulations provide that certain securities are exempt from this reporting requirement based upon the determination such securities would not pose any material conflicts. These reports are monitored regularly in an effort to reasonably prevent conflicts of interest between SSI and its clients. Clients or prospective clients may request a copy of the firm's Code of Ethics by contacting SSI's Chief Compliance Officer, Gene Gunderson, at 706-644-0298.

### **Participation or Interest in Client Transactions**

SSI or its associated persons may engage in principal transactions and/or agency cross transactions, subject to Section 206(3) of the Investment Advisers Act of 1940. In accordance with the regulation, SSI will disclose the capacity in which it acted and will obtain client consent from both parties involved in the transaction prior to the trade settlement date. These disclosures and consents are required to make all necessary facts known and to alert clients to SSI's potential conflicts of interest in a principal, riskless principal, or agency cross transaction.

### **Review of Accounts**

New accounts are reviewed by an SSI Designated Principal to ensure all information is in order and documentation is complete.

SSI Representatives provide a regular review of client accounts, the frequency of which is determined based upon the client's preferences and expectations. Nonetheless, SSI Representatives are expected to initiate contact with clients at least annually in order to confirm the accuracy of information regarding the client's financial situation and the investment objective(s) of an account.

Clients receive account statements and transaction confirmations directly from the account custodian usually monthly, but not less than quarterly. Clients may request quarterly reports from SSI providing such information as asset allocation and account performance data. Depending on the Program selected, performance information is prepared by the individual managers and may not be calculated on a uniform and consistent basis.

### **Client Referral and Other Compensation**

SSI and its representatives do not receive any economic benefits from any third party with respect to the advisory services offered to clients other than the fees described in this Brochure. Product sponsors, mutual fund companies or other third parties may offer SSI Representatives invitations to training sessions, due diligence visits or other meeting or events at the expense of the third party. These invitations are not offered directly as a result of any amount of business placed with the third party, but the volume of business placed with a particular sponsor may be indirectly related.

Envestnet may reduce its fees to SSI upon SSI reaching certain levels of assets under management in its various programs. Therefore, SSI may have a financial incentive to recommend this program over other Programs or services.

SSI entered into a promotional agreement (the “agreement”) with GLOBALT, an affiliated investment adviser, on a limited basis. Pursuant to this agreement, representatives of SSI can refer clients to GLOBALT and receive a referral fee. The fee paid by GLOBALT is a percentage of the advisory fee paid to GLOBALT by the client. The client does not pay a higher fee as a result of the referral, however; rather, GLOBALT shares a percentage of the fee they receive from the client. The client enters into an investment advisory agreement directly with GLOBALT. SSI or its representative provides no additional advisory services to the client.

SSI has entered into promotional agreements with various unaffiliated third-party professionals such as attorneys, certified public accountants, or investment advisers (collectively “promoters”). The promoters can refer clients to SSI and receive a referral fee. SSI pays a percentage of its fees collected from advisory clients to the promotor who originated the client referral. The client does not pay a higher fee as a result of the referral, however. The client enters into an investment advisory agreement directly with SSI. Any other financial services provided by these promoters to clients are separate from their promotional arrangement with SSI, and neither SSI nor its representatives make any claim or warranty regarding such services. The promoters have a financial incentive to promote the advisory services provided by SSI, creating a conflict of interest whereby the advisory services SSI provides are recommended over those offered by other investment advisers. Investors should independently evaluate the advisory offerings of competing firms before engaging SSI as a result of a promotor’s recommendation.

Synovus Bank makes investment products available to its customers, including the advisory services offered by SSI and revenues generated and/or expenses occurred may be shared between the affiliated companies. Nevertheless, SSI’s advisory clients do not pay a higher fee as a result of these revenue sharing or expense arrangements. Conversely, SSI Representatives may refer clients to Synovus Bank for banking services. Synovus Bank may, at its discretion, pay an incentive to SSI and/or its Representatives for referrals made for banking services. Notwithstanding referral incentive programs, if any, sponsored by Synovus Bank, SSI customers are under no obligation to utilize Synovus Bank for any banking services, and the establishment of an advisory relationship with SSI is not contingent upon a client opening or maintaining a banking relationship with Synovus Bank.

In the normal course of its business, SSI Representatives may refer clients that are in need of Trust services to Synovus Trust Company. SSI is compensated for these referrals and such compensation is shared with the Representative. Neither SSI nor its Representatives provide additional advisory services to the client.

### **Financial Information**

Synovus Securities, Inc. is required to provide you with certain financial information or disclosures about its financial condition. SSI has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.