

Customer Relationship Summary “Form CRS” for UnionBanc Investment Services LLC – a Dually Registered Broker-Dealer and Investment Adviser

UnionBanc Investment Services® LLC (“UBIS”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and an investment adviser and is a member firm of the Financial Industry Regulation Authority, Inc. (“FINRA”) (finra.org) and the Securities Investor Protection Corporation (sipc.org). Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.



What investment services and advice can you provide me?

We offer both brokerage and investment advisory services

BROKER-DEALER SERVICES

In our brokerage capacity, we accept orders and execute trades in your account at your direction. We do not have discretionary investment authority, which means the decision to buy, sell, hold, or exchange any security is solely your decision. We are available to assist you with your account needs, but we do not monitor your brokerage account investments.

It is your responsibility to monitor your account and keep us informed of any changes that could affect your investment profile. We limit our investment offerings that Financial Advisors (“FAs”) may recommend to a specific menu of investments, such as mutual funds, variable annuities, Unit Investment Trusts (UITs), Certificates of Deposits (CDs), and Market Linked CDs offered by issuers with whom we have an agreement, and fixed income bonds (e.g., Treasuries, municipal bonds, agency bonds, and corporate bonds).

Some of our FAs cannot offer the full range of the investment offerings and brokerage services we offer. UBIS uses a bank deposit sweep program provided by our parent company, Union Bank®. Due to U.S. Bancorp’s acquisition of Union Bank, U.S. Bank will become the deposit provider for the sweep program on or about May 12, 2023. We limit our mutual fund offerings to “A” shares except for retirement plans, which may include offerings of specific retirement share classes chosen by the Plan Sponsor.

There is no account minimum to open a brokerage account, however, you may be charged a service fee for inactive accounts and for retirement accounts that are under \$25,000 at the end of each year. Please refer to the *UnionBanc Investment Services Fee Schedule, Disclosures, and Services Agreements* for more information.

INVESTMENT ADVISER SERVICES

In our role as an investment adviser, we provide you with investment advice for a fee which includes investment advisory managed accounts (in the form of wrap accounts). This may include the recommendation to use a certain investment strategy or the portfolio management services of a third-party manager.

We also monitor your investment portfolio on an ongoing basis as part of our advisory services. The frequency and limitations of this account monitoring depend on the advisory program that you select and on your financial needs.

We will meet with you at least annually to review your investments and confirm that your account is still appropriate for you and make any needed changes. Not all of our FAs can offer investment advisory services.

We offer a discretionary and a non-discretionary investment management program. In the discretionary program, your assets are managed by unaffiliated third-party managers on a fully discretionary basis, which means that you are not asked for prior approval for specific transactions. Our non-discretionary investment management program is one in which you are consulted by the FA, but you make the ultimate decision.

Each investment advisory sub-program has a minimum balance requirement. For specific account minimum balance for each sub-program, please refer to our Form ADVs referenced below.

Additional Information

For additional information regarding both brokerage and investment advisory programs please review the following documents:

- Guide to Brokerage Services (unionbank.com/gbs)
- Form ADV Part 2A – Managed Account Solutions, (unionbank.com/ubis-mas)
- Form ADV Part 2A Appendix – Personal Portfolio Solutions, (unionbank.com/ubis-pps)
- UnionBanc Investment Services Fee Schedule, Disclosures, and Services Agreements (unionbank.com/ubis-fee-schedule-service-agreement)

Conversation Starter

Ask your financial professional

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?



What fees will I pay?

BROKER-DEALER SERVICES

We are paid each time you trade in your brokerage account. This payment is typically called a “commission,” “sales charge” or a “markup/markdown”. The type and amount of compensation we receive for brokerage services provided to you varies depending on the investment you select and the size or amount of the transaction and if you use FA or broker assistance or simply transact online.

We receive this compensation for effecting securities transactions including when recommendations are made, where applicable. This compensation is typically paid up-front and is often based on the amount of assets invested. The more transactions you make in your account, the more commissions you will pay to us.

The firm and its FAs therefore have an incentive to encourage you to trade more often and make additional investments, which creates a conflict of interest for us.

In addition to sales charges and commissions discussed above, certain investments deduct other ongoing fees and expenses, such as mutual fund 12b-1 fees, management fees, or other servicing fees which are expressed as a fund’s expense ratio. These ongoing fees and expenses add to the cost of your investment, and you pay these ongoing fees and expenses indirectly as these fees are deducted from the fund’s gross return and paid to the fund manager.

For more information on commissions or sales charges for each of your transactions, please refer to the confirmation, prospectus or other offering document provided in connection with the investment. In addition, certain brokerage-related and administrative fees apply to your brokerage account, which is held in custody at National Financial Services (“NFS”), our unaffiliated clearing broker, and more information about these account level fees is available within the *UnionBanc Investment Services Fee Schedule, Disclosures, and Services Agreements*.

INVESTMENT ADVISER SERVICES

We are paid an advisory fee in our wrap program based on a percentage of the assets in your account. You will pay an annual wrap fee, referred to as the Program Fee, billed quarterly in advance on the first month of each quarter. This Program Fee includes the advisory fee paid to us, but also includes fees paid to the third-party platform manager for their technology and administrative services, the third-party custodian for custody including clearing and execution of trades, and third-party asset manager(s) (if any). This wrap fee program will include most transaction costs and fees and therefore are higher than a typical asset-based advisory fee.

The more assets you have in an investment advisory managed account, the more you will pay generally in fees, and the firm may, therefore, have an incentive to encourage you to add money to your account, which creates a conflict of interest for us. However, as you invest more money in your account, the fee rate or the percentage of our advisory fee generally decreases as the advisory fees are typically tiered where the fee rate decreases as your account size increases. In addition to our Program Fees, you may incur additional fees and costs related to the investment in your account such as wire transfer fees, regulatory transaction fees, and other account related service fees as further described in our *UnionBanc Investment Services Fee Schedule, Disclosures, and Services Agreements*.

Mutual funds and exchange-traded funds (“ETFs”) charge operating fees and expenses, often expressed as a fund’s expense ratio, which are disclosed in the fund’s prospectus or disclosure statement.

You can find more information about our investment advisory programs and fees within our Form ADV Part 2A Brochures.

Additional Information

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information regarding both brokerage and investment advisory programs please review the following documents:

- Guide to Brokerage Services (unionbank.com/gbs)
- Form ADV Part 2A – Manage Account Solutions, (unionbank.com/ubis-mas)
- Form ADV Part 2A Appendix – Personal Portfolio Solutions, (unionbank.com/ubis-pps)
- UnionBanc Investment Services Fee Schedule, Disclosures, and Services Agreements (unionbank.com/ubis-fee-schedule-service-agreement)

Conversation Starter

Ask your financial professional

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?



What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser?

How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

(1) Proprietary Products: Investments issued, sponsored, or managed by us or any affiliate would create a conflict of interest for us because we or our affiliate would receive compensation if you purchased these investments. We utilize an affiliate sweep product called the Bank Deposit Sweep Program (“BDSP”) for our brokerage accounts. BDSP invests or “sweeps” uninvested brokerage account cash balances into an interest-bearing deposit account at our parent company, Union Bank. Due to U.S. Bancorp’s acquisition of Union Bank, U.S. Bank will become the deposit provider for the sweep program on or about May 12, 2023. Union Bank earns compensation from the BDSP and pays us a fee for this service. This compensation creates an incentive for us to encourage your participation in brokerage accounts that use the BDSP sweeps. Union Bank, through their Trust division, also offers managed accounts, which our FAs may recommend or refer clients to as bank employees. As bank employees, our FAs earn compensation, which may be higher than for our broker-dealer and investment advisory managed accounts.

(2) Third-Party Payments: We receive a third-party payment called a dealer concession when we sell unit investment trusts and structured products. We also receive a 12b-1 fee when we recommend or sell mutual funds which creates an incentive for us to recommend these products to you. Please note that 12b-1 fees we receive in our investment advisory managed accounts are rebated back to you. We also receive a volume discount for trades executed by our clearing firm, NFS. NFS charges us a fee to provide transaction execution, clearance, settlement, custody, and other related services in your account. NFS reduces the transaction fees charged to us as our trade volume increases and reaches predetermined thresholds. This creates an incentive for us to offer and promote products that benefit us in the form of third-party compensation over those products that do not have a third-party payment arrangement.

(3) Revenue Sharing: In our brokerage accounts, we receive revenue sharing payments from various distributors or other entities in part to maintain a relationship with these issuers. This arrangement creates an incentive for us to offer and promote these products over others.

(4) Principal Trading: In brokerage accounts (but not investment advisory managed accounts) for our fixed income business, we often buy or sell for our own account, earning a markup/markdown when either buying from, or selling to, retail investors.

Conversation Starter

Ask your financial professional

How might your conflicts of interest affect me; and how will you address them?

Additional Information

For more information, please review the below documents:

- Guide to Brokerage Services (unionbank.com/gbs)
- Form ADV Part 2A – Manage Account Solutions, (unionbank.com/ubis-mas)
- Form ADV Part 2A Appendix – Personal Portfolio Solutions, (unionbank.com/ubis-pps)



How do your Financial Professionals make money?

BROKER-DEALER SERVICES

Our FAs receive a portion of the commissions that we receive as compensation for selling you a product and/or service. FAs are paid a monthly commission based on their monthly “production level,” which is based on an internal commission payout grid.

All qualified sales revenue for the current month and the previous 5 months are aggregated into a rolling 6-month average calculation, which is used to determine the payment to the FA. The compensation our FAs earn is a conflict of interest because they have a financial incentive to recommend investments that pay them more compensation.

We mitigate this conflict by limiting compensation within product categories and requiring FAs to make recommendations that are in your best interest.

INVESTMENT ADVISER SERVICES

Our FAs receive a portion of the investment advisory fees we receive as compensation based on your assets under management in the UBIS wrap fee programs. This compensation represents a conflict of interest as we and our FAs make more money when your account balance increases, and therefore have an incentive to recommend you increase the assets in your account. Because our compensation increases as your account balance grows, we and our FAs have an incentive to provide advice and services intended to help your account’s investment performance.

For both Broker-Dealer and Investment Adviser services, our FAs occasionally receive gifts of nominal value (limited to less than \$100 each calendar year) from product or service vendors, including our affiliates. Certain vendors may also invite our employees to training/educational events or host reasonable business entertainment that is deemed necessary and/or customary industry practices. These product or service vendors may be recommended to you.



Do you or your Financial Professionals have legal or disciplinary history?

Yes.

Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research us and our financial professionals.

Conversation Starter

Ask your financial professional

As a financial professional, do you have any disciplinary history? For what type of conduct?



We encourage you to seek out additional information.

For additional information about our brokerage and investment advisory services and to get a copy of this Client Relationship Summary, you can visit our website at unionbank.com/invest. Our Client Services Desk can also provide you with up-to-date information and a copy of the Client Relationship Summary (Form CRS) upon request by calling 800-634-1100.

Conversation Starter

Ask your financial professional

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?
Who can I talk to if I have concerns about how this person is treating me?