



There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. This document provides a summary of the types of services we provide and how you will pay for them. Please feel free to reach out to us for additional information. Questions you might consider asking us are noted (→) throughout this Summary.

## Introduction

Stewart & Patten Company is an SEC registered investment adviser that has provided investment management services to retail investors since 1942. We do not provide services as a broker-dealer. There are differences between investment advisers and broker-dealers, and it is important for you to understand them as you decide what kind of account is right for you. You can learn more about the differences between investment advisers and broker-dealers at the websites provided by the SEC like <https://www.investor.gov> and <https://www.investor.gov/crs>.

## What Investment Services and Advice Can You Provide Me?

We manage security accounts which are held at a qualified custodian selected by the client. We hold a limited power of attorney that authorizes us to buy or sell securities on your behalf. We invest in stocks, taxable and tax-exempt bonds, and short-term instruments such as Treasury bills and money market funds. We will consult with you to discuss your specific financial condition and how our investment strategy can further your investment goals and retirement requirements. Clients may impose restrictions on certain securities or types of securities.

Investment Management Services: If you request investment management services, we will:

- Tailor an investment approach for you that reflects your age, income, family circumstances, financial condition, retirement goals, investment goals, and your risk tolerance.
- Conduct periodic reviews of your goals and asset allocation in response to changes in the above factors.
- Provide ongoing monitoring of your investment accounts.
- Monitor market, economic, and geo-political trends.
- Review relevant financial industry research on a routine basis.
- Buy and sell securities for your accounts that are consistent with your financial goals and risk tolerance. We will do so on a "discretionary" basis that authorizes us to trade without your approval of each trade. We may make an exception and advise you on a "non-discretionary" basis for designated assets whereby we would make investment recommendations to you and allow you to make the decisions as to which securities to buy or sell.

Our Firm imposes a minimum account size requirement of \$1,000,000 for all new client relationships.

Additional detail about our services is provided in our Form ADV Part 2A at Item 4.

- Given my financial situation, should I choose an investment advisory service and 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 your professional qualifications mean?

## What Fees Will I Pay?

**These are the principal types of fees you will pay to us in connection with our services:**

Asset-Based Fees: For our management of your securities accounts, a percentage of the value of the assets you place under our management. These are paid in pro-rata installments, either quarterly or twice per year.

Depending upon the length of the relationship with us, the services we provide, the value of investment assets, and any personal relationship a client has with us, some clients may pay a different fee, or pay no fee at all.

**Other fees & costs you will pay to others in relation to your investments include:**

Custodian fees. If charged, these are paid to your custodian directly, on an annual or a monthly basis.

Maintenance fees. If charged, these are paid to your custodian directly.

Transactional and product-level fees (commissions). If charged, these are paid to your executing broker-dealer directly, at the time of each transaction.

Fees related to Funds and Annuities. Mutual funds, exchange traded funds (ETFs), hedge funds, and variable annuity products may impose ongoing management fees, administrative fees and redemption or surrender fees. These are paid to the issuer of the fund or ETF or the insurer that issues the annuity directly.

The fee any investment adviser charges reduces the value of your account when it is deducted each billing period. Please make sure you understand what fees and costs you are paying. You will pay the asset-based fee each period even if no securities are bought or sold in your account. You will pay fees and costs whether you make or lose money on your investments. More detail about our fees is in our Form ADV Part 2A, Item 5.

→ Help me understand how 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 remain in investment positions?

### **What Are Your Legal Obligations to Me When Acting as My Investment Adviser?**

We have adopted an internal Code of Ethics. When we act as your investment adviser, we must act in your best interest and not put our interests ahead of yours. Where the interests of our Firm or staff conflict with our duties to you, we must work to eliminate the conflict or inform you of it in clear terms. You should understand these conflicts because they can affect the investment advice we provide you.

### **How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

Here are examples to help you understand what this means:

- We charge fees for our services, and that creates a conflict with your interests. The more assets there are in your investment account, the more you pay to us in fees. We thus have an incentive to encourage you to increase the assets in your account, such as when we recommend that you rollover a 401K retirement account to an IRA account managed by our Firm or invest in securities rather than non-managed assets.
- We have an incentive to advise you to custody your investment accounts with Charles Schwab & Co., Inc. because Schwab provides us, amongst other items, with essential trading, reporting, compliance, education and back office services and investment research.
- Our employees personally invest in the same, or different securities based upon their personal financial situations and their investments may perform as well as, better or worse than our clients' investments.

### **How Do Your Financial Professionals Make Money?**

Our professionals are paid an established salary that is based upon their education, advanced professional training, work background and the level of skill and dedication they exhibit in conducting their work. Annual compensation and participation in the Firm's bonus program is determined by the overall success of the Firm during the preceding year, and not on the number of clients introduced to the Firm. Professionals that are principals of the Firm share in the profits of the business.

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

### **Do You or Your Financial Professionals Have Legal or Disciplinary Histories?**

No. We recommend that you visit <https://www.adviserinfo.sec.gov/> for a free and simple search tool to research our Firm and our financial professionals.

- As a financial professional, do you have any disciplinary history? For which type of conduct?
- Who is my primary contact person?
- Is she or he an Investment Adviser Representative or a Broker-Dealer Representative?
- Who can I speak with if I have concerns about how this person is treating me?

### **We encourage you to seek out additional information.**

Visit <https://www.investor.gov/> that provides helpful educational materials to learn more about investing. For additional information on our advisory services, fees, conflicts and personnel, see our Form ADV Parts 1 and 2 on <https://www.adviserinfo.sec.gov/>. If you have any concerns or questions, or to obtain copies of our Form ADV Part 2 or Form CRS, contact Lori E. Sherman at 415-421-4932.