## UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

	X
In re	Chapter 11
SVB FINANCIAL GROUP,1	Case No. 23-10367 (MC
Debtor.	· :
	· :
	X

## ORDER AUTHORIZING, BUT NOT DIRECTING, THE DEBTOR TO IMPLEMENT A KEY EMPLOYEE INCENTIVE PLAN

Upon the motion (the "Motion")<sup>2</sup> of SVB Financial Group (the "Debtor"), for entry of an order (this "Order") authorizing the Debtor, in its sole discretion, to implement a Key Employee Incentive Plan; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that proper and adequate notice of the Motion and the relief requested therein has been provided in accordance with the Bankruptcy Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and the U.S. Trustee having filed an objection (the "Objection") to the Motion; and the Debtor and the U.S. Trustee having engaged in good faith discussions concerning the Objection resulting in modifications to the KEIP and resolving the U.S. Trustee's Objection; and a hearing having been held to consider the relief requested in the Motion and upon the record of the hearing at which counsel for the Debtor described the modifications to the KEIP that resolved the Objection; and this Court having found and determined that the relief sought in the Motion, as modified herein, is in the best interests of the Debtor, its estate, its creditors and all other parties-in-interest; and that the

The last four digits of SVB Financial Group's tax identification number are 2278.

<sup>&</sup>lt;sup>2</sup> Capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Motion.

legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

## IT IS HEREBY ORDERED THAT:

- 1. The Motion is GRANTED on a final basis as set forth herein.
- The Debtor is authorized, but not directed, to implement the KEIP, as modified, which is hereby approved pursuant to sections 503(c)(3) and 363(b) of the Bankruptcy Code.
- Notwithstanding anything to the contrary in the Motion, the KEIP
   Participants will be eligible to earn the Stand-Up Award if the following seven metrics are satisfied.

Stand-Up Award Metrics				
1.	A cost-allocation methodology has been established between SVB Capital and the Debtor;			
2.	The KEIP Participants have assisted in certain sublease negotiations with First Citizens;			
3.	The KEIP Participants have assisted in certain subtenant transitions from First Citizens;			
4.	New commercial service agreements required for SVB Capital have been scoped;			
5.	Oversight and compliance tools related to the Registered Investment Advisor ("RIA") process have been procured;			
6.	SVB Capital has established a record retention policy;			
7.	The KEIP Participants have audited the scope and number of data migration files from First Citizens and have confirmed their completeness,			
in each case subject to the KEIP Participant's continued employment through the payment date.				

4. Notwithstanding anything to the contrary in the Motion, if the Stand-Up Award is earned by September 30, 2023, then 50% of the Stand-Up Award will be paid within 60 days after the Stand-Up Award is earned, and 50% of the Stand-Up Award will be paid within

60 days after December 31, 2023, in each case subject to the KEIP Participant's continued employment through such dates except as provided in ¶ 20 and ¶ 21 of the Motion.<sup>3</sup>

5. Notwithstanding anything to the contrary in the Motion, the aggregate award opportunities are modified and summarized in the table below:

KEIP Payout by Performance Goal <sup>(1)*</sup>						
	Stand-Up	Capital Call Line	Expense Reduction	Total		
Threshold	\$2,805	\$1,770	\$1,327	\$5,902		
Target	\$2,805	\$3,739	\$2,805	\$9,349		
Stretch	\$2,805	\$6,280	\$3,972	\$13,057		
* Dollars are reflected in 000s.						

- (1) No payouts are awarded for actual performance below threshold levels.
- 6. Nothing in this Order will impair the Debtor's ability to contest the validity or amount of any KEIP Participant claim to be paid hereby.
- 7. The Debtor is authorized and empowered to execute and deliver such documents, and to take and perform all actions necessary to implement and effectuate the relief granted in this Order.
- 8. Nothing in the Motion or this Order, nor as a result of any payment made pursuant to this Order, shall be deemed or construed as an admission as to the validity or priority of any claim against the Debtor, an approval or assumption of any agreement, contract or lease pursuant to section 365 of the Bankruptcy Code or a waiver of the right of the Debtor or of any claims or causes of action which may exist against any creditor, or shall impair the ability of the Debtor, to contest or seek relief under any section of the Bankruptcy Code on account of the validity and amount of any payment made pursuant to this Order.

<sup>¶ 20</sup> of the Motion discusses the treatment of a KEIP Participant's Stand-Up Award upon a KEIP Participant's termination of employment. ¶ 21 of the Motion discusses the treatment of a KEIP Participant's Stand-Up Award the event of a sale of all or substantially all of the assets of the SVB Capital business (other than to the Debtor or an affiliate of the Debtor) which would result in (x) the KEIP Participant ceasing to be employed by the Debtor or an entity that is controlled by the Debtor or an affiliate or subsidiary thereof or (y) the change of the KEIP Participant's employer or a termination of the KEIP Participant's employment.

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- 9. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.
- 10. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.
- 11. This Court will retain jurisdiction with respect to any matters, claims, rights, or disputes arising from or related to the Motion or the implementation of this Order.

## IT IS SO ORDERED.

Dated: August 22, 2023

New York, New York

/s/ Martin Glenn
MARTIN GLENN
Chief United States Bankruptcy Judge