

SVB FINANCIAL GROUP
Form 11-K
June 20, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11 K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 000 15637

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

SVB FINANCIAL GROUP

3003 Tasman Drive
Santa Clara, California 95054 1191

Financial Statements and Supplementary Schedules

SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN

As of December 31, 2015 and 2014 and for the
Years Ended December 31, 2015 and 2014

with Report of Independent Registered Public Accounting Firm

Financial Statements and Supplementary Schedules
SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN
As of December 31, 2015 and 2014 and for the
Years Ended December 31, 2015 and 2014
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and
Plan Administrator of the
SVB Financial Group 401(k) and
Employee Stock Ownership Plan

We have audited the accompanying statements of net assets available for benefits of the SVB Financial Group 401(k) and Employee Stock Ownership Plan (the Plan) as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years ended December 31, 2015 and 2014, as listed in the accompanying table of contents. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2015 and 2014, and the changes in net assets available for benefits for the years ended December 31, 2015 and 2014, in conformity with accounting principles generally accepted in the United States of America.

The supplementary information included in Schedule H, line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2015 and Schedule H, line 4a - Schedule of Delinquent Participant Contributions for the year ended December 31, 2015 have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplementary information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplementary information reconciles to the financial statements or the underlying accounting and other records, as applicable and performing procedures to test the completeness and accuracy of the information presented in the supplementary information. In forming our opinion on the supplementary information in the accompanying schedules, we evaluated whether the supplementary information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplementary information included in the accompanying schedules is fairly stated in all material respects in relation to the financial statements as a whole.

/s/ MOSS ADAMS LLP
MOSS ADAMS LLP

Campbell, California
June 20, 2016

SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2015	2014
Assets:		
Investments, at fair value	\$409,376,930	\$394,966,549
Receivables:		
Discretionary Employee Stock Ownership Plan and Profit Sharing	8,262,436	6,719,649
Notes receivable from participants	6,191,104	6,060,091
Employer contributions	1,040,443	1,092,853
Other receivables	2,837	66
Total receivables	15,496,820	13,872,659
Total assets	424,873,750	408,839,208
Liabilities:		
Administrative fees payable	292,645	332,993
Total liabilities	292,645	332,993
Net assets available for benefits	\$424,581,105	\$408,506,215
See accompanying notes to financial statements.		

SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year ended December 31,	
	2015	2014
Additions to net assets attributed to:		
Investment and other income:		
Dividends and interest on investments	\$ 17,246,483	\$ 19,235,434
Interest on notes receivable from participants	257,587	251,033
Net realized and unrealized (decrease) increase in the fair value of investments	(15,472,080)	7,304,420
Total investment income	2,031,990	26,790,887
Contributions:		
Participants	19,582,838	16,888,027
Discretionary Employee Stock Ownership Plan and Profit Sharing	8,262,436	6,719,649
Employer matching	12,753,474	11,183,478
Rollovers	3,370,482	2,423,956
Total contributions	43,969,230	37,215,110
Deductions from net assets attributed to:		
Benefits paid to participants	29,756,932	19,884,975
Administrative fees and other	169,398	352,157
Total deductions	29,926,330	20,237,132
Net increase	16,074,890	43,768,865
Net assets available for benefits:		
Beginning of year	408,506,215	364,737,350
End of year	\$ 424,581,105	\$ 408,506,215

See accompanying notes to financial statements.

SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
December 31, 2015 and 2014

1. Description of the Plan

The following description refers to the SVB Financial Group 401(k) and Employee Stock Ownership Plan (the "Plan"), as amended from time to time. This description provides only general information. Participants should refer to the Plan document and the Summary Plan Description and Prospectus for the Plan to obtain a more complete description of the Plan's provisions.

General

SVB Financial Group is a diversified financial services company, as well as a bank holding company and a financial holding company. SVB Financial Group was incorporated in the state of Delaware in March 1999. Through our various subsidiaries and divisions, we offer a variety of banking and financial products and services to clients across the United States, as well as in key international entrepreneurial markets. In these notes to the Plan's financial statements, when we refer to "SVB Financial Group," "SVBFG," the "Company," "we," "our," "us" or use similar words, we mean SVB Financial Group and all of its subsidiaries collectively, including Silicon Valley Bank (the "Bank"), unless the context requires otherwise. Headquartered in Santa Clara, California, SVB Financial Group operates in key innovation markets in the United States and around the world.

The Plan is a defined contribution plan established by the Company effective as of January 1, 1985. The Plan is intended to constitute a qualified profit sharing plan, as described in Section 401(a) of the Internal Revenue Code ("IRC"), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, and which also includes an employee stock ownership plan as described in Section 4975(e)(7) of the IRC. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Effective January 1, 2003, the Silicon Valley Bank Money Purchase Pension Plan (the "MPP") was frozen and MPP assets were transferred to individual participant account balances in the Plan and designated as a subaccount to the Plan. All assets in the MPP subaccount are fully vested and we no longer make any contributions toward the MPP.

In December 2013, we amended and restated the Plan effective as of January 1, 2014 (except as otherwise specified therein or as required by applicable law) ("2014 Amendment"). The 2014 Amendment was submitted to the Internal Revenue Service ("IRS") for a new favorable determination letter. In July 2014, we received a favorable determination letter from the IRS, in which the IRS stated that the Plan, as then designed, was in compliance with applicable requirements of the IRC.

The Company timely adopted certain amendments to the Plan required by the IRS as a condition to the issuance of its July 2014 favorable determination letter on the Plan. These amendments did not result in any material modification of the Plan that would require any change to the general description of the Plan set forth in these Notes. The Plan has been further amended since the receipt of the July 2014 favorable determination letter and the general description of the Plan in the Notes has been revised accordingly.

Administration of Plan

Under ERISA, we are the designated administrator of the Plan. Overall management and administration of the Plan is the responsibility of a committee appointed by us. We appointed Fidelity Management Trust Company ("Fidelity") to act as trustee and custodian of the Plan and Fidelity Institutional Retirement Services Company to act as day-to-day recordkeeper of the Plan.

Plan Year

The Plan year is the twelve-consecutive month period beginning each January 1 and ending each December 31.

Eligibility

Employees of the Company and its participating affiliates are eligible to become Plan participants on the first day of hire, or as soon as administratively practicable thereafter, so long as they meet certain eligibility requirements set forth in the Plan, including the minimum age of 18 years.

Contributions

Eligible employees may contribute up to 75% of their eligible compensation each pay period during a Plan year as employee pre-tax salary deferral contributions or Roth contributions, subject to applicable annual IRC contribution limits of \$18,000 and \$17,500 for 2015 and 2014, respectively. Eligible employees who are age 50 or will reach age 50 before the close of a Plan year may also contribute up to 75% of their eligible compensation each pay period during the Plan year as catch-up contributions, either in the form of pre-tax or Roth, subject to applicable annual IRC contribution limits of \$6,000 and \$5,500 for 2015 and 2014, respectively, as provided in IRC Section 414(v) and the Plan. Participants may also make rollover contributions of eligible amounts representing distributions from other eligible employer plans or eligible individual retirement accounts or annuities, as set forth in the Plan.

Employees who are newly hired or rehired as eligible employees automatically are enrolled in the Plan at a rate of 5% of their eligible pre-tax compensation unless they affirmatively elect to decline participation in the Plan or elect to participate at a different rate during the opt-out period specified by the Plan administrator.

We match 100% of employee salary deferral contributions up to the first 5% of eligible cash compensation or the Internal Revenue Section 401(a) compensation limit, whichever is less, on a pay period basis. Additionally, the Plan provides for a true-up matching contribution to be made at the end of the Plan year to ensure that eligible participants who elected to contribute 5% or greater of their eligible compensation throughout the Plan year receive the maximum matching contribution of 5% of eligible compensation determined as of the end of the Plan year. In order to receive a true-up matching contribution for any Plan year, a participant must meet certain eligibility requirements as set forth in the Plan. We may change the matching contribution rate at any time, subject to the limits of the Plan.

Any discretionary contributions made by us are allocated among the Plan participants based upon each participant's eligible compensation. Under the Plan, these discretionary contributions may be made by us in two forms: (1) profit sharing contributions in the form of cash, and/or (2) employee stock ownership plan contributions in the form of SVBFG common stock through the Silicon Valley Bank Stock Fund. We refer to both of these discretionary contributions collectively as "ESOP/Profit Sharing Contributions." ESOP/Profit Sharing contributions, which are determined based on our performance and the approval of the Compensation Committee of our Board of Directors, may range between 0% to 10% of eligible compensation. These ESOP/Profit Sharing contributions are made to eligible participants who must meet eligibility requirements as set forth in the Plan. For the 2015 Plan year, we made a total discretionary ESOP/Profit Sharing contribution of 3.30% of each participant's eligible compensation. The contribution was comprised of \$4,328,155 of stock in the Silicon Valley Bank Stock Fund and \$3,934,281 in cash, after the reduction from use of forfeitures of \$394,019. For the 2014 Plan year, we made a total discretionary ESOP/Profit Sharing contribution of 3.00% of each participant's eligible compensation. The contribution was comprised of \$3,518,550 of stock in the Silicon Valley Bank Stock Fund and \$3,201,099 in cash, after the reduction from use of forfeitures of \$317,595.

Participant Accounts

Each participant's Plan account is credited with the participant's contributions, our contributions and any investment gains or losses. The allocation of our contributions is based on participant-directed investment allocations, as provided in the Plan. Certain fees may be charged to participant accounts, as provided in the Plan. The benefit to which a participant is entitled is the vested portion of the participant's Plan account.

Vesting

Contributions made by Plan participants and our matching contributions plus actual earnings are immediately vested. Vesting in any discretionary ESOP/Profit Sharing contributions made by us plus actual earnings is based on eligible participants' years of vesting service, as defined in the Plan, in accordance with the following schedule:

Years of Vesting Service	Vested Percentage
Less than 1 year	—