



441 Lexington Avenue, 15<sup>th</sup> Floor  
New York, NY 10017  
212-785-5567

January 5, 2021

Steve Waters  
Boston Private Financial Holdings, Inc.  
Chairman of the Board  
Ten Post Office Square  
Boston, MA 02109

Anthony DeChellis  
Boston Private Financial Holdings, Inc.  
President and CEO  
Ten Post Office Square  
Boston, MA 02109

Mr. Waters and Mr. DeChellis:

As you know, HoldCo Asset Management, LP (“HoldCo”), through its managed funds, is one of the largest shareholders of Boston Private Financial Holdings, Inc. (“BPFH” or the “Company”) with a total of 4,049,713 shares, representing approximately 4.9% of the Company’s shares, valued at approximately \$34 million as of January 4, 2021.

Earlier today, we issued the following press release containing a link to a letter and presentation outlining our concerns with BPFH and its recently announced merger with SVB Financial Group:

<https://www.prnewswire.com/news-releases/holdco-asset-management-expresses-significant-concerns-regarding-svb-financial-groups-proposed-acquisition-of-boston-private-financial-holdings-301200817.html>

In this public letter, HoldCo wrote that “Our primary concern is that, based on comments made on [yesterday’s public conference call], it does not appear BPFH conducted a competitive process to maximize value for shareholders.”

A few hours ago, we received an unsolicited email (which is attached to this letter) from Scott Kavanaugh, the Chief Executive Officer of First Foundation Inc. (“FFWM”), a California-based bank that we had identified in our presentation as a logical merger partner for BPFH. The relevant portion of Mr. Kavanaugh’s email, an unabridged copy of which is attached, is shown below:

I read your letter this morning regarding the announced sale of Boston Private. I noticed you listed FFWM as a potential acquiror. I am reaching out because I had been persistently calling Mr. DeChellis to pursue a dialogue about a merger. His last conversation with me towards the end of November was that the board had instructed him to focus on getting the stock price higher and that they were not interested in pursuing a sale. We were never contacted from the company or it's investment bankers at any time.

The unsolicited receipt of this email adds fuel to our concerns that BPFH did not run a comprehensive, competitive process including all likely and logical partners for the Company. If that is the case, BPFH's shareholders deserve to know and receive an explanation for what appears to be a significant failure of the Board in its fiduciary duties. We strongly urge you to make available the information requested in our first letter, and we request that the Company conduct a public conference call addressing these concerns in the very near future.

Sincerely,

Vik Ghei ([vik@holdcoam.com](mailto:vik@holdcoam.com)) and Michael Zaitzeff ([misha@holdcoam.com](mailto:misha@holdcoam.com))  
HoldCo Asset Management, LP

cc: Jonathan Leitner, Chief Financial Officer ([jonathan@holdcoam.com](mailto:jonathan@holdcoam.com))  
James Mckee, General Counsel and Investment Counsel ([james@holdcoam.com](mailto:james@holdcoam.com))  
Nima Attar, Senior Analyst ([nima@holdcoam.com](mailto:nima@holdcoam.com))  
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Sean Lim, Senior Analyst ([sean@holdcoam.com](mailto:sean@holdcoam.com))  
Brett Gardner, Senior Analyst ([brett@holdcoam.com](mailto:brett@holdcoam.com))

**From:** [Scott Kavanaugh](#)  
**To:** [Vic Ghei](#)  
**Subject:** BPFH  
**Date:** Tuesday, January 5, 2021 11:41:48 AM

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Dear Vic:

I read your letter this morning regarding the announced sale of Boston Private. I noticed you listed FFWM as a potential acquirer. I am reaching out because I had been persistently calling Mr. DeChellis to pursue a dialogue about a merger. His last conversation with me towards the end of November was that the board had instructed him to focus on getting the stock price higher and that they were not interested in pursuing a sale.

We were never contacted from the company or it's investment bankers at any time.

If you would like to discuss further, please contact me at (949) 400-1261.

Thank you,  
Scott Kavanaugh  
CEO  
First Foundation

Sent from my iPhone