

# Form CRS (Customer Relationship Summary)

**Neuberger Berman Investment Advisers LLC**

**Neuberger Berman BD LLC**

## Introduction

Neuberger Berman Investment Advisers LLC ("NBIA") is registered with the Securities and Exchange Commission ("SEC") as an investment adviser. NBIA's affiliate, Neuberger Berman BD LLC ("NBBD"), is registered with the SEC as a broker-dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Brokerage and investment advisory services and fees differ. It is important for you to understand those differences. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

This Form CRS provides information applicable to retail investors. If you are not a retail investor and would like additional information regarding the services we provide to you, please contact your NBIA or NBBD representative.

## What investment services and advice can you provide me?

We offer both brokerage and investment advisory services to retail investors.

NBBD's **brokerage** services offered to retail customers by its portfolio managers and wealth advisors in their capacities as associated persons of NBBD ("NBBD Brokers") include buying and selling securities (including for advisory clients of NBIA on a client-directed basis), making recommendations with respect to privately offered pooled investment vehicles managed by affiliates of NBBD (including privately offered pooled investment vehicles registered under the Investment Company Act of 1940, as amended, "NB Private Funds"), and wealth planning services. Certain portfolio managers, as NBBD Brokers, recommend, on a limited and complementary basis, select third-party privately offered pooled investment vehicles (collectively with NB Private Funds, "Private Funds").

With respect to NBBD's wealth planning services, NBBD provides one-time analyses that are intended solely for informational and discussion purposes and NBBD does not undertake to provide any ongoing or periodic review, follow-up or monitoring of any topics covered therein.

Certain existing retail customers have invested through an existing framework ("Brokerage Framework") where NBBD and NBBD Brokers provide asset allocation recommendations as among proprietary strategies managed by affiliates of NBBD (separately managed accounts ("NB SMAs"), mutual funds ("NB MFs"), exchange-traded funds ("NB ETFs"), and NB Private Funds), which may include overlay strategies. In connection with its asset allocation recommendations under the Brokerage Framework, NBBD will confirm the retail customer's investment profile (e.g., financial situation, needs and investment objectives) on at least an annual basis, but will not provide any ongoing monitoring. The Brokerage Framework is no longer being offered to new customers.

**Except as otherwise agreed with a customer, NBBD does not provide any ongoing or periodic review, follow-up or monitoring of retail customer accounts for purposes of Regulation Best Interest.**

When NBBD makes a recommendation, you make the ultimate decision regarding any purchase or sale of investments, or any asset allocation. On a limited basis, certain NBBD Brokers may discuss available investment options with its customers for which one of NBBD's two trust company affiliates (collectively, "NB Trust Co") provides investment services. Those customers should review carefully their agreement with NB Trust Co for a description of the terms and fees applicable to their accounts.

For most retail advisory clients of NBIA and for employees of NBBD and its affiliates, NBBD generally acts as broker in connection with the purchase and sale of securities, and introduces those customers' transactions and accounts to its clearing broker for clearance and settlement.

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NBIA's **advisory** services offered to retail clients by its portfolio managers and wealth advisors in their capacities as supervised persons of NBIA ("NBIA Advisers"). NBIA Advisers offer discretionary investment advisory services through the Guided Portfolio Solutions Program ("GPS Program"), where NBIA allocates client assets among NB MFs and NB ETFs, or discretionary or non-discretionary investment advisory services through its NB Private Wealth Advisory Program ("PW Advisory Program"), where NBIA allocates client assets among proprietary strategies (NB SMAs, NB MFs, and NB ETFs), and, on a limited and complementary-only basis, select third-party strategies (separately managed accounts ("Third-Party SMAs"), mutual funds and exchange-traded funds). Where NBIA provides non-discretionary services with respect to strategy allocations, you make the ultimate decision regarding those allocations. Certain portfolio managers only offer

discretionary investment advisory services through their own managed NB SMAs, and do not offer the PW Advisory Program or the GPS Program through which they can allocate client assets to multiple strategies other than their own. Clients that want their NBIA Adviser to allocate their assets to multiple strategies should discuss with their NBIA Adviser to ensure that their assets are managed consistent with their expectations.

Unless specifically agreed with you, Private Funds are not available in advisory accounts, and are offered only through NBBD.

Generally, the PW Advisory Program is available to clients investing a minimum of \$5 million, standalone NB SMAs are available to clients investing a minimum of \$1 million, and GPS Program accounts require a minimum initial investment of \$100,000. Certain offerings may be available at lower or higher investment minimums.

Certain third-party wrap fee program sponsors ("Wrap Sponsors") make NBIA's advisory services available to, or utilize NBIA's model portfolio for, their clients ("Wrap Clients"), including on a "dual contract" basis, where the clients ("Dual Contract Clients") contract separately with NBIA for advisory services and the Wrap Sponsor or a designated broker for brokerage and other services. The standard minimum account size is determined by the Wrap Sponsor but is typically \$250,000 for fixed income accounts and \$100,000 for equity accounts. For Dual Contract Clients, the standard minimum account size is \$500,000 for equity strategies and \$1 million for fixed income strategies.

Generally, NBIA will monitor client assets within each NB SMA (including those offered through a dual contract program) or GPS Program account on an ongoing basis. With respect to the PW Advisory Program, NBIA will monitor the allocation of assets across strategies on at least a quarterly basis.

In all cases, where strategies are only available to certain customers (e.g., based on the jurisdiction in which client/customer resides, the client/customer's financial sophistication), NBIA and NBBD will only recommend or allocate clients/customers to strategies in which the client/customer is permitted to invest.

For additional information, please see NBBD's Regulation Best Interest Disclosure Statement ("NBBD Reg BI Statement") at <https://www.nbprivatewealth.com/reg-bi-disclosure-nbbd>, NBIA's Form ADV Part 2A brochure ("NBIA ADV Part 2A") (Items 4 and 7 of Part 2A) at <https://www.nbprivatewealth.com/adv-part-2a-nbia>, NBIA's Form ADV Part 2B brochures ("NBIA ADV Part 2Bs") and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBD, as applicable.

**CONVERSATION STARTERS. 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?**

In most cases, retail **brokerage** customers enter into agreements pursuant to which they receive advisory services from NBIA and brokerage services from NBBD where they utilize NBBD's clearing broker-dealer, currently National Financial Services LLC. Generally, those customers are billed an "all-inclusive" advisory fee that includes NBBD's brokerage fees. A limited number of existing customers do not pay an "all-inclusive" fee, but rather are charged separate brokerage commissions and other execution and transaction-related costs, which rates are agreed to between customer and NBBD. To the extent that a customer has entered into an arrangement with a third-party financial intermediary, including another broker-dealer or custodian, the customer may incur fees, commissions, expenses or other charges as a result thereof. Where a customer invests in a pooled investment vehicle, such as a Private Fund, mutual fund, or ETF, the customer will be subject to the invested vehicle's fees and expenses, which, for NB Private Wealth customers that invest in certain NB Private Funds, will include a fee paid to NBBD for placement and onboarding services. Those fees are described in the vehicle's offering materials.

With respect to client-directed transactions, commissions and other fees (which are generally reflected in the purchase or sale price) include:

Equities: \$0.10/share, minimum of \$35 per ticket, cap of 2% of principal	• Fixed Income: \$0.00
• Options: \$1.50/contract, minimum of \$35 per ticket, cap of 2% of principal	• ADR conversions: \$55 per conversion plus pass-through fees which vary by ADR
• Stock loans for short sales: varies by stock	

Wealth planning analyses are provided at no additional charge.

With respect to retail **advisory** clients, generally, fees paid to NBIA are charged on the market value of client assets in each account and calculated and paid quarterly in advance.

For most standalone NB SMAs, retail clients are charged an annual investment advisory fee that generally ranges between 0.450% and 1.750% for equity securities ("Equity Assets"), and up to 0.750% for fixed income securities ("FI Assets"). For retirement accounts that can be invested in both Equity Assets and FI Assets, the investment advisory fee is based on those rates, but is applied based on a target allocation selected by the client rather than the actual allocation between Equity Assets and FI Assets.

As agreed with clients, certain NB SMAs are also subject to a performance fee, and certain NB SMAs are subject to a customized fee schedule that is not "all-inclusive" (i.e., the accounts will pay separate brokerage commissions and other execution and transaction-related costs). The annual investment advisory fee applicable to GPS Program clients generally ranges between 1.000% and 1.400%.

With respect to the PW Advisory Program, non-retirement retail clients are subject to an investment advisory fee and the investment strategy fees applicable to the strategies in which they invest. The annual investment advisory fee ranges between 0.300% and 0.600%. The annual investment strategy fee for an NB SMA or Third-Party SMA ranges between 0.100% and 1.000%. With respect to Third-Party SMAs, a portion of the investment strategy fee is paid to the third-party manager and, if applicable, the third-party separate account program provider (the "Third-Party SMA Provider"), and a portion is retained by NBIA.

Retirement retail clients investing through the PW Advisory Program are subject to a single, tiered retirement fee that does not vary based on underlying investment strategies and is based on the risk profile selected by the client (and can range from 0.350% – 1.400% annually). An investment in a Third-Party SMA will, where applicable, also be subject to an additional annual fee of up to 0.150%, which is paid to the Third-Party SMA Provider.

Where clients are invested in mutual funds or ETFs through the PW Advisory Program, the GPS Program or in an NB SMA, in addition to the advisory fees charged by NBIA, clients incur the indirect fees and expenses charged by those funds, provided that, in certain instances, as set forth in the agreement with NBIA, the advisory fee will be offset by certain of those indirect fees and expenses.

Special investments such as private investment opportunities are subject to special fee schedules that are agreed between the retail client and NBIA. The fees for certain options strategies are calculated based on target notional exposure/value, which is often higher or lower than the actual notional exposure for the client. In addition, some of those strategies are implemented on an "overlay" basis.

Certain Wrap Program Clients pay the Wrap Sponsors a bundled or "wrapped" fee that typically covers investment management, trade execution, custodial services and other administrative services. Of that fee, the Wrap Sponsors, in turn, pay fees to NBIA for its investment advisory services. Other Wrap Program Clients pay fees on an unbundled basis to separate parties, including fees to NBIA for its investment advisory services. NBIA generally negotiates its fees with each Wrap Sponsor. NBIA's annual fees for Wrap Program Clients for discretionary wrap programs generally range between 0.26% and 0.65% for equity strategies and 0.22% and 0.35% for fixed income strategies.

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**Other Fees and Costs** – With certain exceptions, retail investors will generally be subject to the underlying fees and expenses of the products purchased in their accounts. In addition, retail investors will generally incur other fees and expenses associated with their account, including custodial fees and expenses (where the custodian is selected by the client), transfer taxes, and electronic fund, wire and other account transfer fees.

**Additional Information** – Because NBBD and NBIA (and NBBD Brokers and NBIA Advisers) are generally compensated based on the revenues generated from retail investors, this creates an incentive for NBBD and NBIA (and NBBD Brokers and NBIA Advisers) to encourage retail investors to increase the assets invested (including, on a limited basis, through margin and option overlays) and to recommend or allocate to products and strategies that will increase their compensation. Please see *"Examples of Ways We Make Money and Conflicts of Interest"* below.

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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, please see NBBD Reg BI Statement at <https://www.nbprivatewealth.com/reg-bi-disclosure-nbbd>, NBIA ADV Part 2A brochure (Items 5.A., B., C., and D.) at <https://www.nbprivatewealth.com/adv-part-2a-nbia>, NBIA ADV Part 2Bs and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBD, as applicable.

**CONVERSATION STARTERS. 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 (and our advisory affiliates) make money creates some conflicts with your interests. You should understand and ask us about those conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

**Preference for Proprietary Products:** Depending on the framework through which an investor invests, proprietary strategies are the only investment options or are the primary investment options (with available third-party strategies only utilized on a limited basis). Available third-party SMAs, mutual funds and ETFs are generally limited to those approved by the Third-Party SMA Provider. Third-party strategies are limited to those determined to be complementary (i.e., with meaningful differences from strategies offered directly by NBIA and its affiliates) by Neuberger Berman's Private Wealth Investment Group. As NBIA, NBIA Advisers, NBBB and NBBB Brokers are generally compensated based on revenues generated, this creates an incentive for them to allocate clients' assets to more expensive strategies and to proprietary strategies.

For a more detailed list of potential conflicts of interest that can impact how we make recommendations or render advice, please see NBBB's Conflict Disclosures at <https://www.nbprivatewealth.com/conflicts-disclosure-nbbd> and NBIA's Conflict Disclosures at <https://www.nbprivatewealth.com/conflicts-disclosure-nbia>.

**CONVERSATION STARTERS. ASK YOUR FINANCIAL PROFESSIONAL:**

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

For additional information, please see NBBB Reg BI Statement at <https://www.nbprivatewealth.com/reg-bi-disclosure-nbbd>, NBIA ADV Part 2A brochure at <https://www.nbprivatewealth.com/adv-part-2a-nbia>, NBIA ADV Part 2Bs and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBB, as applicable.

### How do your financial professionals make money?

In general, most wealth advisors are compensated based on the revenues generated by their customers or clients, which creates an incentive to sell products. As revenue differs by product, this creates an incentive for wealth advisors to promote particular products that generate higher revenue. In certain instances, wealth advisors are also eligible to receive additional compensation if existing customers or clients invest significant additional assets in a particular investment product or if their assets under management reach certain targets.

In general, most portfolio managers are eligible to participate in a compensation pool made available to the portfolio management team with which the NBIA Adviser is associated. The amount available in the compensation pool is determined based on a number of factors, including the revenue that is generated by that particular portfolio management team. The percentage of the pool allocated to individual team participants is based on a variety of criteria, including aggregate investment performance and other quantitative measures (e.g., client retention). Revenue differs by product, which creates an incentive to invest clients' assets in particular strategies, including in proprietary strategies and strategies managed by the portfolio manager's own team as those investments will generally result in a benefit to the portfolio manager.

For clients that are employee benefit plans subject to Title I of Employee Retirement Income Security Act of 1974, as amended ("ERISA") or plans or individual retirement accounts subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), NBIA and NBBB have established additional limitations on the compensation of NBIA Advisers and NBBB Brokers consistent with their fiduciary duties and certain exemptions on which they may rely.

For additional information, please see NBBB Reg BI Statement at <https://www.nbprivatewealth.com/reg-bi-disclosure-nbbd>, NBIA ADV Part 2A brochure at <https://www.nbprivatewealth.com/adv-part-2a-nbia>, and NBIA ADV Part 2Bs provided to you.

### Do you or your financial professionals have legal or disciplinary history?

Yes. NBBB, NBIA and certain NBBB Brokers and NBIA Advisers have disciplinary or legal information that is disclosed in the BrokerCheck Report for NBBB available at <https://brokercheck.finra.org/>, NBIA's ADV brochures and on Form U4s.

Visit <https://www.investor.gov/CRS> for a free and simple search tool to research us and our financial professionals.

**CONVERSATION STARTERS. ASK YOUR FINANCIAL PROFESSIONAL:**

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

### Additional Information

For additional information, please see NBBB Reg BI Statement at <https://www.nbprivatewealth.com/reg-bi-disclosure-nbbd>, NBIA ADV Part 2A brochure at <https://www.nbprivatewealth.com/adv-part-2a-nbia>, NBIA ADV Part 2Bs and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBB, as applicable. If you would like additional, up-to-date information or a copy of this disclosure, please call 212.476.9000.

**CONVERSATION STARTERS. 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?