

# Neuberger Berman LLC

## Client Brochure

### January 1, 2016

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New York, NY 10158  
[www.nb.com](http://www.nb.com)

January 1, 2016

This Brochure provides information about the qualifications and business practices of Neuberger Berman LLC (“**NB LLC**”). If you have any questions about the contents of this Brochure, please contact us at 212-476-9000 or by email at: **NBLLC.ADVINFO@nb.com**.

NB LLC is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). NB LLC is subject to the Advisers Act rules and regulations adopted by the Securities and Exchange Commission (“**SEC**”). Registration as an investment adviser does not imply any particular level of skill or training.

Additional information about NB LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

## **Item 2: Material Changes**

This Brochure dated January 1, 2016 has been prepared in accordance with rules adopted by the SEC. This Brochure will be updated at least annually. We may further provide ongoing disclosure information about material changes as necessary. The following is a summary of the material changes set forth herein that have been made to this Brochure since March 30, 2015.

Item No.	Description of Material Changes
4	Revised ownership to reflect ownership by NBIA and the transfer of certain of NB LLC's businesses to NBIA.

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## Item 4: Advisory Business

### A. Description of the Firm

Neuberger Berman LLC (“**NB LLC**”) is a Delaware limited liability company with a legacy dating to the 1939 founding of Neuberger & Berman, its predecessor firm.

As of January 1, 2016, NB LLC is directly owned by Neuberger Berman Investment Advisers LLC (“**NBIA**”), which is an indirect, wholly-owned subsidiary of Neuberger Berman Group LLC (“**NBG**”). As of January 1, 2016, certain of NB LLC’s accounts were transferred to NBIA, including all or substantially all of the Institutional Accounts, the Private Funds and the NB Registered Funds (each, as defined below), totaling, in the aggregate, approximately \$49,804,763,810 under management (calculated as of October 31, 2015). The transferred accounts and remaining accounts will continue to be managed by the same individuals, some of whom will now also manage accounts on behalf of NBIA.

NB LLC provides a wide range of discretionary investment management services to a variety of clients, including, high net worth individuals, institutions and private investment funds. The firm also provides discretionary investment management services and non-discretionary securities recommendations through wrap-fee programs, and acts as sub-adviser to a number of proprietary SEC (as defined below) registered open-end investment and closed-end investment companies and to separate accounts, non-U.S. funds, unaffiliated commingled investment vehicles and private investment vehicles managed by affiliated and unaffiliated investment advisers. From time to time, NB LLC may also provide financial planning analyses to its clients.

NB LLC holds the following additional registrations and memberships:

- registered broker dealer with the SEC and a member of the Financial Industry Regulatory Authority (“**FINRA**”);
- registered Commodity Pool Operator (“**CPO**”), Commodity Trading Advisor (“**CTA**”) and Futures Commission Merchant (“**FCM**”) with the Commodities Futures Trade Commission (“**CFTC**”) and a member of the National Futures Association; and
- registered municipal securities dealer with the Municipal Securities Rulemaking Board (“**MSRB**”).

#### ***Indirect Ownership Background—Neuberger Berman Group***

NBG is a holding company the subsidiaries of which (collectively referred to herein as the “**Firm**” or “**Neuberger Berman**”) provide a broad range of global investment solutions – equity, fixed income and alternatives – to institutions and individuals through customized separately

managed accounts, mutual funds and alternative investment funds. As of December 31, 2014, Neuberger Berman had approximately \$250 billion under management.<sup>1</sup>

On May 4, 2009, Neuberger Berman became an independent, employee majority-controlled asset management firm resulting from a management buyout from Lehman Brothers Holdings Inc. (“LBHI”), the then-owner of the businesses that now comprise Neuberger Berman. At the time of the management buyout, LBHI retained a 49% interest in Neuberger Berman.

Effective December 19, 2014, NBG’s voting equity is owned 100% by NBSH Acquisition, LLC (“NBSH”). NBSH is owned by current and former employees and their permitted transferees (the “**Management Members**”). As of January 1, 2015, NBG’s Board of Directors is comprised of five members, including NBG’s Chief Executive Officer, who is required to be a member of the Board and serves as its Chairman. In addition, the Management Members have the right to appoint four Directors, two of whom are required to be independent as defined in the New York Stock Exchange Listed Company Standards.

Neuberger Berman is headquartered in New York City. As of December 31, 2014, Neuberger Berman had approximately 2100 employees across 31 offices in 17 countries around the world.

As of December 31, 2014, approximately 400 employees owned an equity stake in the Firm. All of these employees have entered into agreements that provide strong incentives to continue with the organization, and have a number of restrictive covenants in the event the employee leaves the Firm.

NB LLC’s investment management services are further discussed below.

## **B. Types of Advisory Services**

NB LLC currently provides the following types of wealth management services:

### ***Separately Managed Accounts- Private Asset Management and Institutional Accounts***

NB LLC offers discretionary investment management services to individual and institutional clients based on the individual investment goals, objectives, time horizon, and risk tolerance of each client. NB LLC provides its advisory services through (i) separate managed accounts for individual and institutional clients (“**Private Asset Management Accounts**”) that are serviced by the Private Asset Management segment of NB LLC’s business and (ii) separate managed accounts for clients that pay NB LLC an investment advisory fee based on NB LLC’s institutional fee schedule or that are serviced by the institutional segment of NB LLC’s business (“**Institutional Accounts**”), collectively, (“**Separate Accounts**”). Private Asset Management

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<sup>1</sup> Firm assets under management figures reflect the collective assets for the various affiliated investment advisers that are subsidiaries of NBG.

Accounts include accounts managed under discretionary asset allocation program(s), such as the Guided Portfolio Solutions Program (“**GPS Program**”), through which NB LLC provides asset allocations and investment management by allocating assets among a portfolio of NB Registered Funds (as defined below).

From time to time existing Separate Account clients may direct NB LLC to purchase or sell securities on their behalf (“**Client-Directed Transactions**”). NB LLC will purchase such securities, which will, unless otherwise agreed, generally be held in a segregated portion of the client’s account as unsupervised holdings; however, such holdings may or may not be reflected in the custodian’s books and records by any specific mark, designation, or other indication. NB LLC will not provide portfolio management services to such segregated portion of the account and will not receive advisory fees with respect to this portion of the account. Any decisions concerning the retention, disposition, or other change with respect to such holdings shall remain solely with the client. In addition, from time to time, NB LLC may provide non-discretionary investment advisory services in the form of non-binding investment advice or analyses. With respect to the provision of such non-discretionary services, clients have sole discretion and final responsibility for deciding whether to buy, sell, hold or otherwise transact in any security. NB LLC generally does not otherwise offer or provide non-discretionary advisory services. See Item 16.

### ***Private Investment Vehicles***

NB LLC acts as the investment manager providing discretionary investment management services to privately offered investment vehicles (“**Private Funds**”). The Private Funds are generally organized or “sponsored” by an affiliate of NB LLC and an affiliate of NB LLC acts as the managing member or general partner of the Private Funds. For certain Private Funds, affiliates of the firm may also serve as officers, directors or other persons authorized to facilitate the operation of the Private Funds. In some cases, NB LLC may serve as an adviser or sub-adviser to Private Funds that are organized, managed or sponsored by entities that are not affiliated with NB LLC. Unlike open and closed-end mutual funds that are registered with the SEC under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”), the Private Funds are not registered as investment companies with the SEC and are therefore not subject to various provisions of the Investment Company Act. Also, unlike most NB Registered Funds (as defined below), shares or interests in the Private Funds are not registered for sale under the Securities Act of 1933 and are instead sold to qualified investors who meet certain criteria on a private placement basis, both in “closed” offerings and through continuous periodic offerings. For a list of certain of the Private Funds for which an affiliate of NB LLC acts as general partner or managing member, please reference Section 7.B.(1) and (2) of Schedule D of Part 1 to NB LLC’s Form ADV which is publicly available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### ***Wrap Program Accounts***

NB LLC provides advisory or sub-advisory services to sponsors of wrap fee programs (“**Wrap Programs**”) with respect to the sponsors’ clients, through its participation in such programs. See Item 4.D.

### ***Sub-Advised Accounts***

NB LLC acts as sub-adviser to a number of proprietary SEC registered open-end investment and closed-end investment companies (the “**NB Registered Funds**”) and to separate accounts, non-U.S. funds, including funds registered under the securities laws of offshore jurisdictions, unaffiliated commingled investment vehicles and private investment vehicles managed by affiliated and unaffiliated investment advisers (collectively, the “**Sub-Advised Accounts**”). With respect to the NB Registered Funds, NB LLC’s role as sub-adviser is limited to providing investment research and related services from and consultations with members of NB LLC’s research department. Clients should refer to each fund’s prospectus, offering memorandum, constitutional documents, subscription agreement and other private offering materials (the “**Offering Documents**”) or other specific Private Fund documentation for additional information.

The Separate Accounts, Private Funds, Wrap Fee Accounts and the Sub-Advised Accounts are collectively referred to herein as “**Client Accounts.**”

### ***Financial Planning Analysis***

From time to time, NB LLC may provide a one-time financial planning analysis (“**FP Analysis**”) to certain eligible clients (“**FPA Client(s)**”) free of charge. The FP Analysis is intended solely for informational and discussion purposes to educate FPA Clients on financial planning topics and help FPA Clients better understand their financial profile and evaluate possible options. To develop the FP Analysis, FPA Clients complete a questionnaire that is designed to obtain key financial data and other relevant information about the FPA Client and her investment goals. Additional information may be requested, if necessary, for a more in-depth analysis. The FP Analysis and any related discussions are subject to a separate written agreement and do not constitute investment advice and are not part of any investment advisory or fiduciary services offered by NB LLC or its affiliates. Neuberger does not serve as a fiduciary or investment advisor in connection with any FP Analysis, and the FP Analysis and any related discussions are not intended to serve as a primary basis for any decision or as a recommendation with respect to any investment, financial, insurance, trust and estate or tax planning determination. In addition, NB LLC has designated specific employee(s) with oversight responsibilities for each FP Analysis produced for FPA Clients (“**NB FPA Consultant(s)**”). NB FPA Consultants may hold financial planning educational or professional credentials, such as the Certified Financial Planner™ (CFP®) designation. Holding a professional designation typically indicates that the individual has completed certain courses or continuing education. NB LLC does not, however, monitor compliance with any such professional credentials by any NB FPA Consultant and makes no representations or warranties regarding the use of any such professional designations or the educational or professional credentials of any NB FPA Consultant. In addition, NB LLC does not comply with any industry association standards or requirements in respect of the FP Analysis and any related discussions, and NB LLC is not providing “financial planning services” as such term is defined by any industry associations, including but not limited to the CFP Board.



### C. Client Tailored Services and Client Tailored Restrictions

NB LLC enters into discretionary investment management agreements with its Separate Account clients. See Item 16. Clients may impose reasonable restrictions, such as restrictions on investing in certain securities or types of securities in accordance with their particular investment objectives or needs. NB LLC may decide not to accommodate investment restrictions deemed unduly burdensome or materially incompatible with NB LLC's investment approach. With respect to discretionary asset allocation programs offered by NB LLC that allocate assets among mutual funds, Clients may impose reasonable restrictions on the mutual funds included in the program but may not restrict the securities in which the mutual funds invest. Further, NB LLC may decline to permit any account restriction that affects more than a stated percentage of the account. Imposing account restrictions may adversely affect account performance as compared with other, unrestricted accounts that NB LLC manages with the same investment strategy.

NB LLC enters into discretionary investment management agreements with each Private Fund. Services are performed in accordance with the terms of each investment management agreement. Each Private Fund may impose additional investment restrictions or guidelines that correspond to the Private Fund's particular investment objective, goal and strategy. Such investment restrictions and/or guidelines are typically described in the Offering Documents for each Private Fund.

In the case of the Sub-Advised Accounts, NB LLC enters into a sub-advisory agreement with the direct investment adviser (the "**Intermediary Adviser**") to the Sub-Advised Account. The terms and conditions of these arrangements may vary, and contact between NB LLC and the end client will typically take place through the Intermediary Adviser. Each Sub-Advised Account is managed in accordance with the investment objectives, policies and restrictions set forth in the investment management agreement between the Sub-Advised Account and the Intermediary Adviser.

Separate Account and Wrap Program clients may restrict the ability of portfolio managers to invest in NB Registered Funds or Private Funds.

See Item 4.D for a description of client tailored services and restrictions on Wrap Program Accounts.

### D. Wrap Programs

NB LLC participates as an investment manager in discretionary and non-discretionary Wrap Programs. A Wrap Program is an investment program where the clients of the Wrap Program sponsors (each, a "**Wrap Program Client**") generally pay to the sponsors one all-inclusive fee that covers investment management, trade execution, custodial services and other administrative fees. The sponsors of a Wrap Program (the "**Wrap Sponsors**") are typically broker-dealers, financial institutions or other investment advisers that establish, operate and administer the Wrap Programs. The Wrap Sponsors are responsible for determining the

financial circumstances, investment objectives, risk tolerances and investment restrictions of each Wrap Program Client.

In discretionary Wrap Programs, the Wrap Sponsor typically selects or appoints NB LLC as its sub-advisor to manage designated assets of its Wrap Program Clients in one or more investment strategies. In these discretionary Wrap Programs, NB LLC has investment discretion over the designated assets in the accounts of the Wrap Program Clients. NB LLC manages the accounts in accordance with the selected investment strategy and reasonable client-directed restrictions.

Subject to its obligation to seek best execution, NB LLC generally executes trades for Wrap Program Client accounts through the Wrap Sponsors. When trades are executed through the Wrap Sponsors, the all-inclusive fee paid by each Wrap Program Client typically covers all brokerage commissions and execution costs on the trades. When NB LLC chooses to trade away from the Wrap Sponsors and execute trades through broker-dealers other than the Wrap Sponsors, the Wrap Program Clients may incur execution costs in addition to the wrap fees they pay to the Wrap Sponsors. Please refer to Item 5.C and Item 12 for a further description of additional execution costs that may be incurred by Wrap Program Clients. Clients that enroll in Wrap Programs should satisfy themselves that the Wrap Sponsors are able to provide best execution of transactions.

NB LLC also participates in non-discretionary Wrap Programs. In these Wrap Programs, NB LLC furnishes investment advice and recommendations to Wrap Sponsors through the provision of model portfolios (“**Model Portfolio Wrap Programs**”). The Wrap Sponsors may use NB LLC’s model portfolios and updates, either alone or together with other model portfolios, to manage the accounts of the Wrap Program Clients, although the Wrap Sponsors retain investment discretion over the accounts. NB LLC is solely responsible for managing its model portfolios.

The services provided by each of NB LLC and the Wrap Sponsors are described in the Wrap Sponsors’ disclosure materials and the contracts Wrap Sponsors have with their Wrap Program clients.

NB LLC does not generally communicate directly with Wrap Program Clients (including communications with respect to changes in a Wrap Program Client’s investment objectives or restrictions), and all such communications generally must be directed through the Wrap Sponsor. Also, NB LLC does not provide overall investment supervisory services to Wrap Program Clients. NB LLC is not in a position to recommend the suitability of any Wrap Program to Wrap Program Clients.

Please refer to Section 5.I.(2) of Schedule D to Part 1 to NB LLC’s Form ADV for a full list of the Wrap Programs in which NB LLC participates.

**E. Assets Under Management**

<b><u>Discretionary Amounts:</u></b>	<b><u>Non-Discretionary Amounts:</u></b>	<b><u>Date Calculated:</u></b>
\$55,820,687,512	\$0	10/31/2015*

\* Takes into account the transfer of certain of NB LLC's accounts to NBIA as of January 1, 2016, as described above.

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### **1. SEPARATE ACCOUNTS**

NB LLC's standard fee schedules are set forth below.

Management fees for Separate Accounts are typically a percentage of the market value of assets held in the Separate Account. In limited circumstances, NB LLC may provide investment management services to a Separate Account for a fixed fee. A portion of a client's account may consist of Client-Directed Transactions and such transactions are generally not included in the valuation of the account for purposes of calculating the advisory fee payable to NB LLC. See Item 16.

Management fees may vary depending on a variety of factors including, but not limited to, the investment strategy, the identity of the portfolio manager or group managing the account, account size, investment objectives and the type and number of client accounts and the level of customization with NB LLC, including other accounts with affiliates of NB LLC. There may be differences in fees paid by certain clients based on account inception dates or amount of client assets under management. Affiliates of NB LLC and its employees are generally eligible for fee waivers or discounts on NB LLC's products. In some instances, based upon particular facts and circumstances and, as permitted by applicable law, NB LLC as a courtesy may, in its sole discretion permit "family billing" arrangements, where the account values of two or more related accounts are combined for the purpose of reducing the overall fees paid by the accounts. Such arrangements are non-contractual and NB LLC may terminate such arrangement at any time.

For its Private Asset Management Accounts, NB LLC generally enters into investment advisory agreements that provide for the provision of advisory and brokerage services by NB LLC. Certain of the Fee Schedules below assume that the clients have entered into such agreements and consented to the use of NB LLC as broker for the account. These accounts are billed an "all-inclusive" fee that captures NB LLC's investment management and brokerage fees. No separate fees are charged by NB LLC for brokerage transactions in the account. Clients shall bear all other transaction and transfer-related costs and expenses, as applicable. See Item 5.C below.

Alternatively, clients who have Private Asset Management Accounts may engage NB LLC solely for the provision of investment advisory services. In such instances the account will generally pay separate commission fees to third-party brokers for brokerage transactions. In addition, Institutional Accounts generally engage NB LLC solely for the provision of investment advisory services and generally pay separate commission fees to third party brokers for brokerage transactions.

Certain fee schedules for Private Asset Management Accounts have different fee rates for equity and fixed income securities. Please note that for accounts subject to such fee schedules, only assets that have been designed for permanent investment in fixed income securities will be subject to the fixed income fee rate. Accordingly, cash and cash equivalents that are not held for permanent investment in fixed income securities will be subject to the equity fee rate.

There may be fee schedules used by certain Separate Account clients who became clients as the result of an acquisition or “lift-out” of a firm or investment personnel by NB LLC, or whose accounts are managed or serviced by individuals or teams who have joined NB LLC through such an acquisition or lift-out. Additionally, some Separate Account clients may be billed on fee schedules that are no longer offered. These schedules are not otherwise available to new or other existing clients of NB LLC. In certain limited circumstances, Institutional Account fee schedules may also be offered to non-Institutional Account clients. Additionally, Private Asset Management Account clients who have assets managed by the portfolio management groups for Institutional Accounts will generally be subject to Private Asset Management Account fee schedules, and vice versa. Certain Private Asset Management Accounts that are serviced by, introduced to or that obtain access to NB LLC or NB LLC products by or through other entities, such as third party broker dealers and investment advisers, are generally subject to varying types and degrees of client services directly from such other entity and consequently may be subject to a NB LLC fee schedule that provides for lower fees than NB LLC’s published fee schedules for the same products serviced directly by NB LLC.

The minimum fee for Private Asset Management Account clients may be changed or waived for some clients, including but not limited to employees of NB LLC or its affiliates and clients who invest in new strategies at the initial launch. Employees may be charged a lower fee than non-employee clients. In addition, the criteria used to determine eligibility for breakpoint discounts may vary based upon the facts and circumstances unique to a client relationship.

In accordance with NB LLC's standard agreements with clients, its investment advisory fees and commission rates can be modified upon advance written notice to clients.

**A. PRIVATE ASSET MANAGEMENT ACCOUNTS--SCHEDULE E**

<b>Private Asset Management Accounts - Schedule E</b>	
<b><u>Type of asset in the account</u></b>	<b><u>Advisory Fee</u></b>
For common stocks, convertible bonds, convertible preferred shares, cash, cash equivalent mutual funds, and all other managed assets of the account not being held for permanent investment in fixed income securities, the annual charge (payable quarterly)	For accounts with a market value of less than \$10 million <ul style="list-style-type: none"> <li>• 1.500% of the first \$2,500,000 of market value,</li> <li>• 1.400% of the next \$2,500,000 of market value,</li> <li>• 1.300% of the next \$2,500,000 of market value, and</li> <li>• 1.200% of the next \$2,499,999 of market value.</li> </ul>
	For accounts with a market value equal to or greater than \$10 million <ul style="list-style-type: none"> <li>• 1.250% of the first \$10,000,000 of market value, and</li> <li>• 0.900% of the remaining balance of market value.</li> </ul>
For cash equivalents and managed assets held for permanent investment in fixed income securities, the annual charge (payable quarterly)	<ul style="list-style-type: none"> <li>• 0.375% of the market value.</li> </ul>
<i>Minimum quarterly fee for the above accounts is \$1,875</i>	

**B. PRIVATE ASSET MANAGEMENT ACCOUNTS—SCHEDULE EP1**

<b>Private Asset Management Accounts - Schedule EP1</b>	
<b><u>Type of asset in the account</u></b>	<b><u>Advisory Fee</u></b>
All assets in the account including NB Registered Funds, cash and cash equivalents	1.500% of the market value.

**C. PRIVATE ASSET MANAGEMENT ACCOUNTS—SCHEDULE F**

<b>Private Asset Management Accounts - Schedule F</b>	
<b><u>Type of asset in the account</u></b>	<b><u>Advisory Fee</u></b>
For common stocks, convertible bonds, convertible preferred shares, cash, cash equivalent mutual funds, and all other managed assets of the account not being held for permanent investment in fixed income securities, the annual charge (payable quarterly)	For accounts with a market value of less than \$10 million <ul style="list-style-type: none"> <li>• 1.750% of the first \$5,000,000 of market value, and</li> <li>• 1.500% of the next \$4,999,999 of market value.</li> </ul>
	For accounts with a market value equal to or greater than \$10 million <ul style="list-style-type: none"> <li>• 1.600% of the first \$10,000,000 of market value, and</li> <li>• 1.250% of the remaining balance of market value.</li> </ul>
For cash equivalents and managed assets held for permanent investment in fixed income securities, the annual charge (payable quarterly)	<ul style="list-style-type: none"> <li>• 0.375% of the market value.</li> </ul>
<i>Minimum quarterly fee for the above accounts is \$2,500</i>	

**D. PRIVATE ASSET MANAGEMENT ACCOUNTS—SCHEDULE 716**

<b><u>Type of asset in the account</u></b>	<b><u>Advisory Fee</u></b>
Cash, cash equivalents and managed assets held for permanent investment in fixed income securities	<ul style="list-style-type: none"> <li>• 0.400% of the first \$5,000,000 of market value,</li> <li>• 0.300% of the next \$15,000,000 of market value,</li> <li>• 0.275% of the next \$30,000,000 of market value,</li> <li>• 0.250% of the next \$100,000,000 of market value,</li> <li>• 0.150% of the next \$250,000,000 of market value, and</li> <li>• 0.120% of the remaining balance of market value.</li> </ul>
<i>The minimum quarterly fee for the above accounts is \$1,000</i>	

**E. PRIVATE ASSET MANAGEMENT ACCOUNTS—GPS - TOTAL PORTFOLIO SOLUTIONS (TPS) FEE SCHEDULE**

<b>Private Asset Management Accounts - GPS - TPS Fee Schedule</b>	
<b><u>Type of asset in the account</u></b>	<b><u>Advisory Fee</u></b>
All assets in the account including NB Registered Funds, cash and cash equivalents	<ul style="list-style-type: none"> <li>• 1.400% if the market value of the total family relationship is less than \$500,000,</li> <li>• 1.300% if the market value is \$500,000 or greater but less than \$1,000,000,</li> <li>• 1.200% if the market value is \$1,000,000 or greater but less than \$5,000,000,</li> <li>• 1.100% if the market value is \$5,000,000 or greater but less than \$10,000,000, and</li> <li>• 1.000% if the market value is \$10,000,000 or greater.</li> </ul>

**F. PRIVATE ASSET MANAGEMENT ACCOUNTS—GPS - EQUITY COMPLETION FEE SCHEDULE**

<b>Private Asset Management Accounts - GPS - Equity Completion Fee Schedule</b>	
<b><u>Type of asset in the account</u></b>	<b><u>Advisory Fee</u></b>
All assets in the account including NB Registered Funds, cash and cash equivalents	<ul style="list-style-type: none"> <li>• 1.300% of the market value.</li> </ul>

**G. INSTITUTIONAL ACCOUNTS**

<b>NB LLC Portfolio Account Fees</b>	
<b><u>Type of Advisory Account</u></b>	<b><u>Advisory Fee</u></b>
Large Cap Disciplined Growth - Institutional Accounts	<ul style="list-style-type: none"> <li>• .65% of the first \$35 million of market value,</li> <li>• .40% of the next \$65 million,</li> <li>• .30% of the next \$100 million, and</li> <li>• .25% of the balance.</li> </ul>
Mid Cap Growth - Institutional Accounts	<ul style="list-style-type: none"> <li>• .80% of the first \$25 million of market value,</li> <li>• .65% of the next \$25 million,</li> <li>• .60% of the next \$50 million, and</li> <li>• .50% of the balance.</li> </ul>



<b>NB LLC Portfolio Account Fees</b>	
<b><u>Type of Advisory Account</u></b>	<b><u>Advisory Fee</u></b>
Small Cap Growth – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$25 million of market value,</li> <li>• .80% of the next \$25 million,</li> <li>• .70% of the -balance.</li> </ul>
Large Cap Value – Institutional Accounts	<ul style="list-style-type: none"> <li>• .65% of the first \$25 million of market value,</li> <li>• .50% of the next \$25 million,</li> <li>• .40% of the next \$50 million, and</li> <li>• .30% of the next \$100 million, and</li> <li>• .25% of the balance.</li> </ul>
Systemic Large Cap Value – Institutional Accounts	<ul style="list-style-type: none"> <li>• .65% of the first \$25 million of market value,</li> <li>• .50% of the next \$25 million,</li> <li>• .40% of the next \$50 million, and</li> <li>• .30% of the next \$100 million, and</li> <li>• .25% of the balance.</li> </ul>
Mid Cap Intrinsic Value – Institutional Accounts	<ul style="list-style-type: none"> <li>• .75% of the first \$25 million of market value,</li> <li>• .65% of the next \$25 million,</li> <li>• .60% of the next \$50 million, and</li> <li>• .50% of the balance.</li> </ul>
Small Cap Value – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of market value of all assets.</li> </ul>
Small Cap Intrinsic Value – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$20 million of market value,</li> <li>• .85% of the next \$20 million,</li> <li>• .80% of the next \$20 million, and</li> <li>• .75% of the balance.</li> </ul>
Socially Responsible Investing – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$10 million of market value,</li> <li>• .65 % of the next \$25 million, and</li> <li>• .40 % of the balance.</li> </ul>
Real Estate Securities – Institutional Accounts	<ul style="list-style-type: none"> <li>• .75% of the first \$25 million of market value,</li> <li>• .65% of the next \$25 million,</li> <li>• .55% of the next \$100 million, and</li> <li>• .50% of the balance.</li> </ul>

<b>NB LLC Portfolio Account Fees</b>	
<b><u>Type of Advisory Account</u></b>	<b><u>Advisory Fee</u></b>
International Select – Institutional Accounts	<ul style="list-style-type: none"> <li>• .85% of the first \$25 million of market value,</li> <li>• .60% of the next \$25 million,</li> <li>• .50% of the next \$150 million, and</li> <li>• .40% of the balance.</li> </ul>
Core Equity – Institutional Accounts	<ul style="list-style-type: none"> <li>• .65% of the first \$25 million of market value,</li> <li>• .50% of the next \$25 million,</li> <li>• .40% of the next \$50 million,</li> <li>• .30% of the next \$100 million and</li> <li>• .25% of the balance.</li> </ul>
Equity Income – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$10 million of market value,</li> <li>• .80% of the next \$15 million,</li> <li>• .60% of the next \$75 million,</li> <li>• .50% of the balance.</li> </ul>
Global Thematic Opportunities – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$10 million of market value,</li> <li>• .80% of the next \$15 million,</li> <li>• .60% of the next \$75 million,</li> <li>• .50% of the balance.</li> </ul>
International All Cap – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$10 million of market value,</li> <li>• .75% of the next \$25 million, and</li> <li>• .50% of the balance.</li> </ul>
Emerging Markets Equity – Institutional Accounts	<ul style="list-style-type: none"> <li>• 1.00% of the first \$25 million of market value,</li> <li>• .90% of the next \$25 million,</li> <li>• .85% of the next \$150 million, and</li> <li>• .75% of the balance.</li> </ul>
MLPs – Institutional Accounts	<ul style="list-style-type: none"> <li>• .75% of the first \$50 million of market value,</li> <li>• .65% of the next \$50 million, and</li> <li>• .55% of the balance.</li> </ul>
Global Equity – Institutional Accounts	<ul style="list-style-type: none"> <li>• .75% of the first \$25 million of market value,</li> <li>• .55% of the next \$25 million,</li> <li>• .45% of the next \$150 million, and</li> <li>• .40% of the balance.</li> </ul>

<b>NB LLC Portfolio Account Fees</b>	
<b><u>Type of Advisory Account</u></b>	<b><u>Advisory Fee</u></b>
Flex Equity – Institutional Accounts	<ul style="list-style-type: none"> <li>• .85% of the first \$50 million of market value,</li> <li>• .80% of the next \$50 million,</li> <li>• .75% of the next \$400 million,</li> <li>• .70% of the next \$500 million, and</li> <li>• .65% of the balance.</li> </ul>
Risk Balanced Global Equity – Institutional Accounts	<ul style="list-style-type: none"> <li>• .65% of the first \$25 million of market value,</li> <li>• .45% of the next \$25 million,</li> <li>• .35% of the next \$150 million, and</li> <li>• .30% of the balance.</li> </ul>
Systematic Global Equity- Institutional Accounts	<ul style="list-style-type: none"> <li>• .75% of the first \$25 million of market value,</li> <li>• .55% of the next \$25 million,</li> <li>• .45% of the next \$150 million, and</li> <li>• .40% of the balance.</li> </ul>
International ACWI ex-US – Institutional Accounts	<ul style="list-style-type: none"> <li>• .85% of the first \$25 million of market value,</li> <li>• .60% of the next \$25 million, and</li> <li>• .50% of the balance.</li> </ul>
Global REIT – Institutional Accounts	<ul style="list-style-type: none"> <li>• .80% of the first \$25 million of market value,</li> <li>• .70% of the next \$25 million,</li> <li>• .60% of the next \$100 million, and</li> <li>• .50% of the balance.</li> </ul>

## **2. PRIVATE FUNDS**

Pursuant to NB LLC’s investment management agreement with each Private Fund, NB LLC or its designated affiliate will receive an annual management fee that customarily is based on the net asset value of each investor’s account in the Private Fund. For some Private Funds, NB LLC or its affiliate may receive such a fee where the Private Fund achieves a certain preferred return or exceeds a specified performance benchmark. Such fees may be paid monthly or quarterly, in arrears, or in advance, depending on the particular requirements of each Private Fund. Management fees may also be calculated based on aggregate net assets of certain investors in a Private Fund. Certain Private Funds also offer “breakpoints” for fees based on net investment amounts held in an investor’s capital account; such breakpoints generally permit NB LLC to charge lower fees for higher net investment amounts held in a capital account, and higher fees for smaller accounts. For these purposes, a net investment amount is generally calculated based on an investor’s contributions, withdrawals and distributions and is not based on capital appreciation or depreciation in an account.

Management fees for the Private Funds generally range between .55% and 1.50% annually and may be negotiable under certain circumstances, including for affiliates of NB LLC. Higher or lower management fee rates may apply. NB LLC or a Private Fund's general partner or managing member or directors, each as applicable, will customarily retain discretion to waive, rebate or calculate differently the management fees as to all or any of the investors in a Private Fund or agree with an investor to waive or alter the management fees as to that investor. Certain Private Funds may elect to waive fees for employees of the Firm who invest in the Private Fund pursuant to the Firm's employee investment program. See Item 11.B.

In addition to management fees, certain Private Funds may permit NB LLC or its designated affiliates to receive performance-based fees or allocations based on the net capital appreciation (i.e., capital appreciation less capital depreciation) of each investor's account in such funds. For certain Private Funds the performance-based fee or allocation is payable only if, and to the extent that, the net capital appreciation of the investor's account exceeds any net capital depreciation accumulated in the prior performance period (as adjusted for withdrawals of capital). The capital account of NB LLC or its affiliate, as general partner or managing member of each Private Fund, is not included when calculating any such fees or compensation. Performance fees may be up to 20% of (realized or unrealized) capital gains though a Private Fund may require a higher or lower fee allocation. Depending on the terms of the Private Fund, NB LLC or the Private Fund's general partner, managing member or, directors, each as applicable, may retain discretion to, waive, rebate or calculate differently the performance based fee as to all or any of the investors in a Private Fund or agree with an investor to waive or alter the performance fee distribution as to that investor.

Investors should refer to the applicable Private Fund's Offering Documents for more details related to calculation and payment of fees.

### **3. WRAP PROGRAM ACCOUNTS**

Wrap Program Clients typically pay Wrap Sponsors one all-inclusive fee that covers investment management, trade execution, custodial services and other administrative fees. Of that fee, the Wrap Sponsors, in turn, pay investment management fees to the sub-advisors, such as NB LLC, that they select to provide investment management services to their Wrap Program Clients. NB LLC generally negotiates its fees with each Wrap Sponsor, subject to varying factors including, but not limited to, the Wrap Sponsor's program size and style, the services performed by the Wrap Sponsor, and other factors. Subject to these factors, NB LLC's basic annualized fee schedule for a discretionary Wrap Program ranges between 0.34% and 0.70% annually. In a non-discretionary Model Portfolio Wrap Program, NB LLC's basic annualized fee schedule ranges between 0.28% and 0.50% annually.

### **4. SUB-ADVISED ACCOUNTS**

Sub-advisory fees for the sub-advised accounts are individually negotiated and vary depending on the account. NB LLC's fees may be consistent with the basic fee information and terms

described above for the type of client (e.g., Separate Accounts, Private Funds). NB LLC receives management fees and may receive performance fees in its role as sub-adviser to certain Affiliated Funds (as defined below).

## **5. FINANCIAL PLANNING ANALYSIS**

NB LLC does not charge any fees for its FP Analysis. However, the FP Analysis that is provided may include recommendations to sell, hold or purchase Affiliated Funds (as defined below). FPA Clients who invest in Affiliated Funds are subject to any applicable purchase and redemption fees and the client's share of any advisory fee, administrative fee or other fee or expense incurred by the Affiliated Fund. (Clients should refer to the applicable Offering Documents with respect to calculation and payment of fees and expenses.). Accordingly, while a purchase or sale of Affiliated Fund shares is not subject to a load, sales charge or commission, acting in accordance with such advice will result in the direct and indirect payment of fees to the Affiliated Funds and to NB LLC or its affiliates. In addition, FPA Clients will bear any and all applicable custodial fees and brokerage fees.

### **B. Payment Method**

#### ***Calculation and Payment of Fees:***

*Private Asset Management Accounts* — Advisory fees are typically charged quarterly, in advance, at the beginning of each calendar quarter, based on the market value of the client's account on the last business day of the previous calendar quarter. New accounts are charged a pro-rata fee for the quarter based on the market value of the account on the date the account is established.

*Institutional Accounts* — Fees for Institutional Accounts are generally paid to NB LLC on a quarterly basis, either in arrears or in advance, as provided in the contract between NB LLC and the Institutional Account client.

Payment of fees for Separate Accounts will either be made through a quarterly debit to the client's account at the custodian bank or broker/dealer or will be made upon invoice, which will be due within 30 days of the date of the invoice. In general, Separate Account clients contractually agree to allow NB LLC to debit any fees from their accounts. At the client's request, NB LLC will send the client an informational statement of the fees due each quarter.

*Private Funds* — Management fees generally will be paid by each Private Fund quarterly or monthly, in advance or in arrears, or in such manner as set forth in the applicable Offering Documents.. Where a Private Fund applies a performance fee or allocation, such fee or allocation may be charged at the end of the relevant Private Fund's fiscal year, upon withdrawal by an investor from a Private Fund or at such other times as disclosed in the applicable Offering Documents. Investors should refer to the applicable Offering Documents with respect to calculation and payment of fees.

*Wrap Fee Accounts* — Each Wrap Sponsor generally pays NB LLC on a quarterly basis, either in arrears or in advance, as provided in the contract between NB LLC and the Wrap Sponsor. NB LLC does not invoice Wrap Program Clients. Each Wrap Sponsor calculates and remits NB LLC's fees. NB LLC does not establish the value of securities held in these accounts, which is a function provided by the Wrap Sponsors.

*Sub-Advised Accounts* — Payment of fees may vary depending on the sub-advisory agreement in place. Payment method is generally set forth in the sub-advisory agreement.

### ***Valuation for Fee Calculation Purposes***

*Separate Accounts* — In determining the market value of assets, the total market value of securities purchased on margin is included. This may result in higher advisory fees than would otherwise be charged the client if no margin debit existed in the account. Accounts are also charged interest on debit balances at NB LLC's posted rate. The market value of securities may be valued by unaffiliated third-party service providers which may also serve as custodian and clearing agent for NB LLC accounts. The market values of securities are generally obtained from various quotation services. In rare circumstances, securities may be valued in whole or in part based upon internally generated values furnished by a group within NB LLC as may be designated from time to time. As NB LLC's compensation is generally based on the net asset value of an account, a conflict arises when NB LLC is valuing the assets held in an account rather than a third-party valuation firm. To mitigate that conflict, NB LLC has adopted methodologies designed to result in securities valuations that in its judgment reflect the market prices of the securities at such time. In such instances, there is no guarantee that such price will be obtained. Prices are provided only as a general guide to portfolio value. Total value of client accounts does not include unpriced securities.

*Private Funds* — Private Fund assets are valued according to valuation policies set forth in the relevant Private Fund's confidential private offering memorandum and other Offering Documents. Generally, a Private Fund will retain a third-party administrator to provide various administrative services to the funds. These services include assisting NB LLC in calculating each Private Fund's net asset value ("**NAV**") as well as other administrative services on behalf of the funds. Investors should refer to the applicable Offering Documents for more information with respect to the valuation of Private Fund assets.

The market values of the assets of the Private Funds are generally obtained from various third-party quotation services. For positions held by Private Funds in which there is no readily available third party pricing or as to which NB LLC or the fund's general partner, managing member or trustee believes third-party pricing does not accurately reflect the fair value of these positions, fair value may be determined for the Private Fund in reliance on the Firm's policies governing fair valuation and as permitted by the Private Fund's Offering Documents and applicable law.

## C. Other Fees and Expenses

In addition to the investment management fee paid to NB LLC, clients pay other fees associated with their accounts and investments. Such fees may include the following:

*Custodial Fees* — Separate Account clients who elect to have account assets held in the custody of a bank, trust company, broker-dealer or other entity selected by the client will bear any custodial fees associated with such account. To the extent that cash is held in such accounts and fees are charged by the provider of such service, including any chargeable for short-term reinvestment of cash, the fees so incurred by the client will be in addition to the fee payable to NB LLC on the overall value of the account. See Item 15.

*Brokerage Fees* — The majority of Private Asset Management Accounts consent to the use of NB LLC as broker-dealer for securities transactions for their account. These accounts pay NB LLC one all-inclusive fee which covers investment management fees, trade execution, custodial services and other administrative fees. Private Asset Management Accounts who do not consent to the use of NB LLC as broker-dealer and the majority of Institutional Accounts generally must pay a separate brokerage fee to a third party broker for all securities transactions effected for the account. See Item 5.E and Item 12.A. With respect to Wrap Program Clients, the all-inclusive fee that they pay Wrap Sponsors covers brokerage fees when NB LLC executes trades through the Wrap Sponsors. When NB LLC chooses to trade away from the Wrap Sponsors and execute trades through broker-dealers other than the Wrap Sponsors, the Wrap Program Clients may incur execution costs in addition to the wrap fees they pay to the Wrap Sponsors. Please refer to subsection “Other Fees” in this Item 5.C for a further description of additional execution costs that may be incurred by Wrap Program Clients.

*Additional Fees Related to Investments in Pooled Investment Vehicles* — Subject to the investment guidelines of a Client Account, NB LLC may invest Client Accounts in the NB Registered Funds, affiliated Private Funds or other affiliated commingled investment vehicles (collectively, the “**Affiliated Funds**”). On occasion and subject to the investment guidelines of the Client Account, NB LLC may invest Client Accounts in non-affiliated investment companies, non-affiliated Private Funds and other pooled investment vehicles (“**Non-Affiliated Funds**”). Similarly, NB LLC may advise FPA Clients to invest in Affiliated Funds or Non-Affiliated Funds.

For certain accounts, including certain retirement accounts subject to the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) and Section 4975 of the Internal Revenue Code, client assets that are invested in Affiliated Funds will not be subject to two levels of advisory fees. Either the advisory fee associated with the underlying Client Account will be waived or reimbursed or the advisory fee charged by the Affiliated Fund will be reimbursed. However, where permitted by applicable law, client assets that are invested in Affiliated and Non-Affiliated Funds will incur other fees and expenses associated with their investments in such funds. Mutual fund expenses are generally described in each fund’s prospectus and Private Fund expenses are described in the Private Fund’s Offering Documents. These expenses will generally include brokerage and other transaction-related costs and the fees and expenses of other service providers to these funds such as custodians, transfer agents, administrators, valuation agents, auditors and counsel.

In addition, the Affiliated Funds and Non-Affiliated Funds may themselves invest in other funds as described in each fund's Offering Documents, prospectus or other offering documentation. To the extent an Affiliated Fund or Non-Affiliated Fund invests in another underlying fund, it will bear the costs and expenses associated with an investment in that underlying fund. See Item 10.C.2.

*Other Product Additional Fees* — Certain NB LLC clients may also be clients of NB LLC's affiliates. These clients may receive investment management services from NB LLC and may receive other services from affiliates. NB LLC and the affiliate will each charge their usual and customary fees to the client. This may result in total costs to the client which are higher than the client would have paid had it obtained all services from either NB LLC or its affiliate alone or from other unrelated brokers and investment advisers.

*Other Fees* — Clients shall bear all other transaction and transfer related costs and expenses, as applicable. Each of these additional charges may be charged to the Client's Account or reflected in the price paid or received for a given security. Such charges include, but are not limited to (i) dealer mark-ups or mark-downs by executing broker-dealers (including on fixed-income, non-U.S. securities, American Depositary Receipts ("ADRs") or other over-the counter transactions) or spreads; (ii) transfer taxes and any other applicable taxes; (iii) auction fees; (iv) odd-lot differentials fees/expense; (v) exchange or similar fees (such as for ADRs) charged by third parties, including issuers or depositories; (vi) fees charged in connection with short sale transactions; (vii) margin interest and fees for any securities that are deemed hard to borrow in connection with long/short strategies; (viii) mutual fund redemption fees and contingent deferred sales charges; (ix) commission charges for transactions in ordinary securities and dealer spreads or mark-ups in connection with a foreign currency conversion, including in connection with ADRs; (x) electronic fund, wire, and other account transfer fees; and (xi) any fees or other charges imposed or mandated by law.

*Comparable Services* — NB LLC believes that the charges and fees offered within its investment management and brokerage services are competitive with alternative programs available through other firms that offer a similar range of services; however, lower fees for comparable services may or may not be available from other sources. A client could invest in mutual funds directly, without the services of NB LLC. The expenses of a Private Fund, including NB LLC's management fee and performance-based fee or allocation, may constitute a higher percentage of average net assets than would be found in other investment vehicles not managed by NB LLC or its affiliates.

Investors that participate in Wrap Programs should be aware that services similar or comparable to those provided to them as a participant in a Wrap Program may be available at a higher or lower aggregate cost elsewhere either separately or on an unbundled basis. The overall cost to a Wrap Program Client that participates in a Wrap Program may be higher than the aggregate cost of paying NB LLC's standard advisory fee for Separate Accounts, negotiating custody fees with a custodian and negotiating transaction charges with a broker-dealer payable on a per-transaction basis, depending upon the level of custody fees and the number of securities transactions in the Wrap Program Client's account. However, most Wrap Program Clients would not be eligible (due to the size of their accounts) for NB LLC's Separate Account



management services and, therefore, could not otherwise have their assets managed by NB LLC. NB LLC does not undertake any ongoing responsibility to assess for any Wrap Program Client the value of the services provided by the Wrap Sponsor.

#### **D. Prepayment of Fees and Refunds**

*Separate Accounts* — As described in Item 5.B, management fees for Private Asset Management Accounts are paid in advance. Management fees for Institutional Accounts are paid either in arrears or in advance. In the event a Separate Account client terminates an investment advisory agreement, the client will be entitled to pro-rata reimbursement of that portion of the quarterly or monthly (as applicable) investment advisory fee paid for any portion of the quarter or month remaining as of the date the investment advisory relationship terminates; provided however that clients may be responsible for any transaction costs, as applicable, related to the unwinding of transactions in connection with the termination of the account.

*Private Funds* — As described in Item 5.B, management fees may be paid monthly or quarterly, in arrears, or in advance, depending on the particular requirements of each Private Fund. Certain Private Funds charge performance fees or allocations at the end of their fiscal year, upon withdrawal by an investor or on such other terms described by the Private Fund's Offering Documents or investment management agreement. In addition, Private Fund investors are generally only permitted to withdraw or redeem from a Private Fund on a limited basis on terms described in each fund's Offering Documents. If an investor in a Private Fund withdraws or redeems the investor's full shares or interests held in a Private Fund in a manner other than as prescribed by the Private Fund, and if such withdrawal or redemption does not permit the full calculation of management fees applicable to the withdrawing or redeeming investor, NB LLC or the managing member/general partner of the Private Fund may reserve the right, subject to such terms, to impose a prorated management fee against the withdrawn or redeemed funds. Notwithstanding anything to the contrary above, certain Private Funds may include terms permitting the general partner, managing member or other designees to effect a compulsory withdrawal or redemptions of investors in funds for any reason or no reason, subject to certain conditions.

*Wrap Program Accounts* — Each Wrap Sponsor generally pays NB LLC on a quarterly basis, either in arrears or in advance, as provided in the contract between NB LLC and the Wrap Sponsor. If paid in advance, the fees would be refunded on a pro-rata basis in the event NB LLC is terminated from managing a Wrap Program Client's account.

NB LLC's participation as manager in discretionary Wrap Programs, or engagement to provide investment management services with respect to particular Wrap Accounts, typically may be terminated by Wrap Sponsors or NB LLC either at any time or after a predetermined notice period. In addition, Wrap Program Clients may indirectly terminate NB LLC as the investment manager of their assets by terminating their relationship with the Wrap Sponsor, ending their participation in the Wrap Programs, or requesting that their assets be managed by another Wrap Program investment manager. NB LLC's participation in non-discretionary Wrap Programs typically may be terminated either at any time, or after a predetermined notice period,

by NB LLC or the Wrap Sponsors. In each case, however, termination rights vary, so Wrap Program Clients and Wrap Sponsors should refer to the agreements governing their programs.

*Sub-Advised Accounts* — In the event of termination of a sub-advisory agreement, NB LLC will be paid its pro rata portion of the sub-advisory fee and performance fee, as applicable, in accordance with the sub-advisory agreement.

## **E. Sales Compensation**

NB LLC's advisory products and strategies are marketed by the Firm's central salesforce which also markets the products and strategies of NB LLC's affiliates. Certain members of the central salesforce are registered representatives of NB LLC. Subject to applicable law, certain of those members are entitled to a sales commission if NB LLC is engaged to provide investment management services for a Separate Account. The commission is generally a percentage of the management fee paid to NB LLC for a specified number of years, payable to the salesperson on the same basis as NB LLC is paid, subject to the terms and conditions of the applicable sales compensation plan and contingent compensation program.

Certain Affiliated Funds may offer classes of interests that do not pay a sales commission to NB LLC.

Certain registered representatives of NB LLC may receive compensation related to Affiliated Funds and unaffiliated investment companies. For example, NB LLC acts as placement agent in offering certain of the Affiliated Funds to investors. As placement agent, NB LLC is entitled to a sales commission or fee ("**Placement Fee**") which is based on the class of limited partner interest or, if applicable, tranche an investor selects. In addition, certain affiliates of NB LLC provide marketing and distribution services to unaffiliated investment companies. In such situation, these affiliates may receive fees from such investment companies related to marketing, distribution and servicing of the funds. These fees may include fees from such investment companies' Rule 12b-1 Plans.

Given that the salespersons may market a wide range of products offered by NB LLC and its affiliates, with differing sales compensation, the sales persons may have an incentive to promote or recommend certain products over others based on the compensation to be received and not on the specific requirements or investment objectives of the client. NB LLC trains its employees on a regular basis regarding the suitability and sale of securities products to investors which it believes mitigates this potential conflict. Unaffiliated parties may also serve as placement agents or sub-placement agents for Non-Affiliated Funds, Affiliated Funds or other accounts managed or sub-advised by NB LLC or its affiliates.

In its capacity as a registered broker-dealer, NB LLC may execute transactions for the NB Registered Funds for which it serves as sub-adviser. Such transactions are performed in accordance with the requirements of Rule 17e-1 under the Investment Company Act. NB LLC does not offset its sub-advisory fee for the commissions it receives in connection with such

transactions. Please see Item 12 below for a further discussion regarding NB LLC's brokerage practices.

NB LLC may execute transactions for some of the Separate Accounts or the Affiliated Funds. Please see Item 12 for a further discussion regarding NB LLC's brokerage practices.

Clients who elect to trade on margin will enter into a separate agreement directly with the clearing agent. Clients should refer to the agreement with their clearing agent for all terms and conditions of the margin arrangement, including all related fees and expenses.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

**“Performance-Based Fees”** are fees that are based on a share of the capital gains or capital appreciation of the assets of an account. Examples of Performance-Based Fees include but are not necessarily limited to:

- an incentive fee where the fee is calculated as a percentage of a fund's profits, usually counting both realized and unrealized profits (sometimes referred to as incentive allocation or carried interest)
- high water mark where the manager receives performance fees only on increases in the net asset value of a fund in excess of the highest net asset value it has previously achieved
- hurdle rates where a manager does not charge a performance fee until the fund's annualized performance exceeds a benchmark rate, such as T-bill yield, London Interbank Offered Rate (“**LIBOR**”) or a fixed percentage

Generally, NB LLC does not charge performance fees in connection with its Separate Accounts. In limited circumstances and as permitted by applicable law, NB LLC may receive performance-based fees or allocations in connection with the provision of advisory services to Private Funds, Separate Accounts or Sub-Advised Accounts.

In addition, some of NB LLC’s portfolio managers are investment advisory personnel of one or more of NB LLC’s affiliated advisers. See Item 10.C.3 for a list of such affiliated advisers. In such capacity, they may manage accounts for which the affiliated adviser receives performance-based fees.

To the extent that NB LLC and its portfolio managers manage accounts that charge only management fees and accounts that charge both management and performance-based fees, NB LLC and/or its portfolio managers may have a conflict of interest in that an account with a performance-based fee arrangement will offer the potential for higher profitability when compared to an account with only a management fee. Performance-based fee arrangements may create an incentive for NB LLC and/or its portfolio managers or sales persons to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Performance-based fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the devotion of time and resources and the allocation of investment opportunities.

To manage these potential conflicts, NB LLC has adopted a number of compliance policies and procedures. These policies and procedures include (i) the Neuberger Berman Code of Ethics (see Item 11.A), (ii) the NB LLC Compliance Manual, (iii) trade allocation and aggregation policies which seek to ensure that investment opportunities are allocated fairly among clients, and (iv) allocation review procedures reasonably designed to identify unfair or unequal treatment of accounts. NB LLC does not consider fee structures in allocating investment opportunities.

## **Item 7: Types of Clients**

NB LLC provides investment management services to individuals and institutional investors, including registered investment companies, financial institutions, pension and profit sharing plans, trusts, pooled investment vehicles, charitable organizations, foundations, endowment funds, corporations, other business entities and state and municipal entities.

Set forth below are the minimum account requirements for NB LLC's accounts:

### ***Private Asset Management Accounts***

Private Asset Management Accounts are available to individuals and institutional investors. In general, there is a minimum size of \$1,000,000 for Private Asset Management Accounts while GPS Program Accounts require a minimum \$100,000 initial investment with an additional \$5,000 minimum for subsequent investments. These minimums may be changed or waived for particular clients, including but not limited to employees of NB LLC or its affiliates.

### ***Institutional Accounts***

Institutional Accounts are available only to certain institutional investors. There is a minimum account size of \$25 million for all Institutional Accounts, except as listed below, although such minimums may be waived in NB LLC's discretion.

- Equity Income: \$10 million
- Flex Equity: \$50 million
- Global Thematic Opportunities: \$10 million
- Mid Cap Intrinsic Value: \$10 million
- Real Estate Securities Portfolio: \$10 million
- Small Cap Intrinsic Value Portfolio: \$10 million
- Small Cap Value Portfolio: \$100 million
- Socially Responsible Investing Portfolio: \$10 million
- Global REIT: \$10 million

### ***Private Funds***

Investors in the Private Funds must be "accredited investors" under Regulation D under the Securities Act of 1933 and for certain Private Funds, "qualified purchasers" or "knowledgeable employees" as such terms are defined in the Investment Company Act. For those funds which

charge a performance fee or incentive allocation, investors must also be eligible to enter into a performance arrangement under the Advisers Act.

The minimum investment required by an investor in a Private Fund typically ranges from \$100,000 to \$500,000, though the amount could be more or less, depending on the requirements of the relevant Private Fund. Investment minimums are generally subject to waiver by NB LLC or the Private Fund's general partner or managing member.

Investors should review the Offering Documents for the relevant Private Fund for further information with respect to minimum requirements for investment.

### ***Wrap Program Accounts***

The minimum account size may vary by Wrap Program, as set up by the Wrap Sponsor for its Wrap Program Clients, but is typically \$100,000 - \$250,000. In certain Wrap Programs, the fees and services may be unbundled and NB LLC may enter into an investment advisory agreement directly with each client. For such unbundled accounts, NB LLC has set the standard minimum account size at \$1,000,000, subject to negotiation based on various factors, including NB LLC's relationship with the client's broker-dealer.

### ***Sub-Advised Accounts***

Minimum account requirements for Sub-Advised Accounts are established by the Intermediary Adviser.

### ***Financial Planning Analysis***

Financial planning analyses are available to certain clients and prospective clients of NB LLC.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis**

NB LLC's investment teams employ distinct investment processes that incorporate various methods of security analysis, including one or more of the following: charting, cyclical, fundamental, technical, macro-economic and quantitative/investment modeling. NB LLC's sources of information include financial newspapers, magazines, websites, trade journals, timing services, inspections of corporate activities, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases, corporate rating services, internal and third-party research reports and meetings, company presentations/interviews, internal or external assessments, including assessments of general or specific world events, and other sources of material deemed appropriate.

No method of securities analysis can guarantee a particular investment result or outcome and the use of investment tools cannot and does not guarantee investment performance. The methods of analysis utilized by NB LLC involve the inherent risk that any valuations, pricing inefficiencies, or other opportunities identified may not materialize or have the anticipated impact on the price of a security. Prices of securities may raise, decline, underperform or outperform regardless of the method of analysis used to identify securities. Each method of analysis relies in varying degrees on information furnished from third-party and publically available sources. This presents the risk that methods of analysis may be compromised by inaccurate, incomplete, false, biased or misleading information. Security prices may be impacted by various factors independent of the methodology used to select securities. For example, a security price may be influenced by the overall movement of the market, rather than any specific company or economic factors. In addition, certain methods of analysis, such as the use of quantitative/investment models, involve the use of mathematical models that are based upon various assumptions. Assumptions used for modeling purposes may prove incorrect, unreasonable or incomplete.

### **Investment Strategies**

NB LLC has a comprehensive investment platform and broad based-client solutions for Separate Accounts, Wrap Programs, Private Funds, Sub-Advised Accounts and Financial Planning services. The following is a summary of NB LLC's significant investment strategies. Certain client portfolios may include customized investment features which may impact the specific investment strategy or strategies implemented for a particular client, including the allocation within a portfolio to equity or fixed income securities.

**Equity Strategies.** NB LLC's equity strategies are managed by teams comprised of experienced portfolio managers and investment analysts that are supported by the firm's Global Equity Research Department. In addition, NB LLC also has equity strategies based primarily on the ratings of the firm's Global Equity Research Department. NB LLC's equity suite of strategies spans the market capitalization ("**cap**") and style spectrum, including the following:

Large-Cap Growth  
Large-Cap Value  
Large-Cap Core  
Mid-Cap Growth  
Mid-Cap Value  
Small-Cap Growth  
Small-Cap Value  
Small-Mid Cap Value  
Global  
Unconstrained/Flexible  
Multi-Cap/All-Cap  
International

Emerging Markets  
Systematic/Quantitative  
Equity Income  
Income Oriented  
Real Estate Securities  
Socially Responsive Investing  
Master Limited Partnerships  
Equity Options  
Long/Short Equities  
Long/Short Thematic  
Energy

NB LLC's equity strategies involve various material risks, including the risks associated with certain market caps categories (*i.e.*, mid-cap and small-cap) and certain specialty strategies (*i.e.*, Master Limited Partnerships and Socially Responsive Investing). The following is a summary of material risks associated with NB LLC equity investment strategies. Please note that certain risks may not apply to all NB LLC investment strategies or apply to a material degree. Investors in Affiliated Funds and Non-Affiliated Funds should also look to the relevant fund's Offering Documents and other fund offering documentation for further information on the risks associated with a particular fund.

- **Risk of Loss.** Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment in the Client Accounts, which clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. The investment decisions made and the actions taken for Client Accounts will be subject to various market, liquidity, currency, economic, political and other risks, and will not necessarily be profitable and may lose value. Past performance of Client Accounts is not indicative of future performance.

In addition to the risks listed here, there may be additional material risks associated with the types of products in which your account invests. Clients should refer to the prospectus or other applicable offering documents of those particular products for a discussion of applicable risk factors for that particular investment.



- **Equity Market Risk.** Investments in equity securities (e.g., common stocks, preferred stocks, convertible securities, rights, warrants and Depositary Receipts (“DRs”)) are subject to market risks that may cause their prices to fluctuate over time. Historically, the equity markets have moved in cycles and the value of the strategy’s securities may fluctuate substantially from day to day. Investments in income-producing equity securities are also subject to the risk that the issuer may discontinue paying dividends.
- **Non-U.S. and Emerging Market Risk.** Non-U.S. securities involve risks in addition to those associated with comparable U.S. securities and can be more volatile and experience more rapid and extreme changes in price than U.S. securities. Additional risks include exposure to less developed or less efficient trading markets; social, political or economic instability; fluctuations in non-U.S. currencies; nationalization or expropriation of assets; settlement, custodial or other operational risks; and less stringent auditing, accounting, financial reporting and legal standards. As a result, non-U.S. securities can fluctuate more widely in price, and may also be less liquid, than comparable U.S. securities. Securities markets of countries other than the U.S. are generally smaller than U.S. securities markets with a limited number of issuers representing fewer industries. In many countries, there is less publicly available and lower quality information about issuers than is available in the reports and ratings published about issuers in the U.S. Many non-U.S. securities may be less liquid than U.S. securities, which could affect the investments under a strategy that utilizes these types of securities. The exchange rates between the U.S. dollar and non-U.S. currencies might fluctuate, which could negatively affect the value of the strategy’s investments.

Emerging markets are those of countries with immature economic and political structures. Investing in emerging markets may involve heightened and significant risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include, but are not limited to: (i) greater social, economic and political uncertainty including war; (ii) higher dependence on exports and the corresponding importance of international trade; (iii) greater risk of inflation; (iv) increased likelihood of governmental involvement in and control over the economies; (v) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (vi) the possibility of nationalization, expropriation, confiscatory tax policies and social instability; and (vii) considerations regarding the maintenance of a Client Account’s securities and cash with non-U.S. brokers and custodians. Companies in emerging markets are generally subject to less stringent and less uniform accounting, auditing and financial reporting standards, practices and disclosure requirements than those applicable to companies in developed countries. Securities markets in emerging market countries may have substantially less volume of trading and are generally more volatile than securities markets of developed countries. In certain periods, there may be little liquidity in such markets. There is often less government regulation of stock exchanges, brokers and listed companies in emerging market countries than in developed market countries. Commissions for trading on emerging markets stock exchanges are generally higher than commissions for trading on developed market exchanges. Settlement of trades in some non-U.S. markets is much slower and more subject to failure than in U.S. markets. In addition, custodial and/or

settlement systems may not be fully developed in emerging market countries, thereby exposing a Client's Account to the risk of a sub-custodian's failure with no recourse against the custodian.

Many of the laws that govern private and non-U.S. investment, securities transactions and other contractual relationships in emerging markets are new and largely untested. As a result, investing in emerging markets involves a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain emerging markets.

Emerging market securities also will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of the account's investments. Volatility or illiquidity could impair an account's profitability or result in losses.

- **Recent Market Conditions.** The financial crisis, recession and uneven recovery in the U.S. and global economies over the past several years has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets and the economy at large. Both U.S. and international equity and fixed income markets have experienced heightened volatility and turmoil, with issuers that have exposure to the real estate, mortgage and credit markets particularly affected. In addition, global markets and economic conditions have been negatively affected by the inability of certain E.U. member states to service their sovereign debt obligations. The continued uncertainty over the outcome of the E.U. governments' financial support programs and the possibility that other E.U. member states may experience similar financial troubles could further disrupt global markets, which may have an adverse effect on Client Accounts.
- **Market Capitalization Risk (Small-, Mid- and Large-Cap Stocks Risk).** To the extent a strategy emphasizes small-, mid-, or large-cap stocks, it takes on the associated risks. Compared to small- and mid-cap companies, large-cap companies may be less responsive to changes and opportunities. At times, the stocks of larger companies may lag other types of stocks in performance. The stocks of small- and mid-cap companies are often more volatile and less liquid than the stocks of larger companies and may be more affected than other types of stocks by the underperformance of a sector or during market downturns. Compared to large-cap companies, small and mid-cap companies may have a shorter history of operations, and may have limited product lines, markets or financial resources.

- **Issuer-Specific Risk.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.
- **Sector Risk.** To the extent a strategy invests more heavily in particular sectors, its performance will be especially sensitive to developments that significantly affect those sectors. Individual sectors may move up and down more than the broader market. The several industries that constitute a sector may all react in the same way to economic, political or regulatory events.
- **Growth Stock Risk.** Because the prices of most growth stocks are based on future expectations, these stocks tend to be more sensitive than value stocks to bad economic news and negative earnings surprises. Bad economic news or changing investor perceptions can negatively affect growth stocks across several industries and sectors simultaneously.
- **Value Stock Risk.** Value stocks may remain undervalued during a given period or may not ever realize their full value. This may happen, among other reasons, because of a failure to anticipate which stocks or industries would benefit from changing market or economic conditions.
- **Liquidity Risk.** A strategy may hold securities that are illiquid and cannot be transferred or redeemed for a substantial period of time, and there may be little or no near-term cash flow available to investors in the interim. Likewise, a portfolio may not receive any distributions representing the return of capital on an illiquid security for an indefinite period of time.
- **Brokerage Commissions/Transaction Costs/High Portfolio Turnover Risk.** With respect to those accounts which pay separate commissions, a high portfolio turnover rate increases a strategy's transaction costs, including brokerage commissions and dealer costs). Additionally, there is the risk that a broker may become insolvent, which could lead to a lower return and adversely impact the strategy's performance. Further, higher portfolio turnover may result in the realization of more short-term capital gains than if the strategy had lower portfolio turnover.
- **Social Investing Risk.** A strategy managed in accordance with social policy guidelines could cause it to underperform similar accounts that do not have a social policy. Among the reasons for this are: the social policy could cause the portfolio manager to sell or avoid stocks that subsequently perform well; undervalued stocks that do not meet the social criteria could outperform those that do; or economic or political changes could make certain companies less attractive for investment.
- **Master Limited Partnerships (MLPs) Risk.** MLPs are limited partnerships that are publicly traded and which have the tax benefits of a limited partnership and the liquidity of a publicly traded company. Investments in securities (units) MLPs involve risks that

differ from an investment in common stock. Holders of the units of MLPs have more limited control and limited rights to vote on matters affecting the partnership. For example, unit holders may not elect the general partner or the directors of the general partner and they have limited ability to remove a MLP's general partner. MLPs may issue additional common units without unit holder approval, which would dilute existing unit holders. In addition, conflicts of interest may exist between common unit holders, subordinated unit holders and the general partner of a MLP, including a conflict arising as a result of incentive distribution payments. As an income producing investment, MLPs could be affected by increases in interest rates and inflation. There are also certain tax risks associated with an investment in units of MLPs.

- **Energy Risk.** Investments in energy are inherently subject to numerous risks arising from their operations, which may have an adverse effect on Client Accounts. The risks may include: (i) the risk that technology employed in an energy project will not be effective or efficient; (ii) risks of equipment failures, fuel interruptions, loss of sale and supply contracts or fuel contracts, decreases or escalations in power contract or fuel contract prices, reduced availability of natural gas or other commodities for transporting processing or delivering, slowdowns in new construction, bankruptcy of key customers or suppliers, tort liability in excess of insurance coverage, inability to obtain desirable amounts of insurance at economic rates, and natural disasters, extreme weather, threats or acts of terrorism, wars, embargoes and other catastrophic events; (iii) risks that regulations affecting the energy industry will change in a manner detrimental to the industry; (iv) environmental liability risks related to energy properties and projects; (v) uncertainty about the extent, quality and availability of oil, gas and coal reserves, (vi) the risk of changes in values of companies in the energy sector whose operations are affected by changes in prices and supplies of energy fuels (prices and supplies of energy fuels can fluctuate significantly over a short period of time due to changes in international politics, energy conservation, the success of explorations projects, the tax and other regulatory policies of various governments and the economic growth of countries that are large consumers of energy, as well as other factors).
- **REIT and Real Estate Risk.** A strategy's investments in the securities of Real Estate Investment Trusts ("REITs") and companies principally engaged in the real estate industry may be subject to risks associated with the direct ownership of real estate. These risks include fluctuations in the value of underlying properties, the impact of economic conditions on real estate values, the strength of specific industries renting properties and defaults by borrowers or tenants. In addition to these risks, REITs are dependent on specialized management skills and some REITs may have investments in relatively few properties, or in a small geographic area or a single type of property. The properties held by REITs could fall in value for a variety of reasons, such as declines in rental income, poor property management, environmental liabilities, uninsured damage, increased competition, or changes in real estate tax laws. There is also a risk that REIT stock prices overall will decline over short or even long periods because of rising interest rates. These factors may increase the volatility of the strategies investments in REITs. Investments in REITs will cause the investors to bear their pro rata portion of the REITs

management fees and other expenses, which may result in duplicative expenses. In addition, there are special risks associated with investing in preferred securities such as preferred REITs. The risks may include the following: (i) such preferred securities may include provisions that permit the issuer, in its discretion, to defer or omit distributions for a certain period of time or indefinitely and, as such, preferred securities may lose substantial value due to the omission or deferment of distribution payments, (ii) preferred securities are often subordinated to the issuer's senior debt in terms of liquidation and payment, and therefore will be subject to greater credit risk than the senior debt and (iii) preferred securities may trade less frequently and in a more limited volume and may be subject to more abrupt or erratic price movements than many other securities.

- **Concentration of Investments.** A strategy that invests a higher percentage of its assets in any one issuer could increase the risk of loss and volatility, because the value of issue holdings would be more susceptible to adverse events affecting that issuer.
- **Investment Strategy and Portfolio Management Risk.** There can be no assurance that an investment strategy will produce an intended result, which would result in losses to an investor, including, potentially, a complete loss of principal. The performance of a strategy depends on the skill of NB LLC and its portfolio manager(s) in making appropriate investment decisions.
- **Tax Risk.** A strategy's U.S. federal income tax liability with respect to income and gains on an investment may exceed its overall return for such a year. Further, a strategy may face limitations with respect to its ability to use its allocable share of deductions and losses from its investments in certain securities.
- **Options Strategy Risk.** A strategy that invests in options risks incurring significant losses including the risk of losing the premium paid/received or more in a relatively short period of time and the risk of losses associated with the inability to close out of existing positions if those options were to become unavailable. In addition, regulatory agencies may impose exercise restrictions that may prevent the holder of an option from realizing value.
- **Exercise Risk.** An option can be exercised early, which could result in the underlying security/asset being called away or having to cash settle prior to expiration of the option.
- **Correlation Risk.** There can be no assurance that the underlying equity portfolio will correlate to or track closely the selected benchmark (which may be an index, exchange traded fund or basket) on which the options positions are based, and as a result, the option strategy performance may vary substantially from the performance of the portfolio for any period of time. For example, when writing options on an index, the value of the index may appreciate while the value of the equity portfolio declines in value. This may result in losses on both the option positions and the equity portfolio.

- **Quantitative Trading/Tools Risk.** Quantitative investment strategies rely heavily on proprietary quantitative models in seeking to exploit short-term and long-term relationships among securities prices and volatility. The models employed may not be well-suited to prevailing market conditions or may be unreliable, where unusual events specific to particular corporations or major events external to the operation of markets may cause extreme market moves that are inconsistent with the historic correlation and volatility structure of the market. The models may be formulated based on past market data which may not be indicative of future price movements. Models also may have hidden biases or exposure to broad structural or sentiment shifts. In the event actual events fail to conform to the assumptions underlying the models, losses could be incurred.
- **Investment Analyses.** From time to time, NB LLC may provide non-discretionary investment advisory services in the form of non-binding investment advice or analyses. There can be no assurance that its advice or analyses will result in profitable investing or avoidance of loss. The advice is highly reliant on the accuracy of the information provided by the client and by third parties. Any inaccurate information could compromise the quality of the advice provided. Further, the advice and analyses provided are often time sensitive, especially during times of significant market volatility. With respect to the provision of such non-discretionary services, clients have sole discretion and final responsibility for deciding whether to buy, sell, hold or otherwise transact in any security. The client may be unable to execute the related transaction, or there could be a delay in the amount of time the client takes to execute the related transaction that renders the advice provided moot, potentially reducing any profit or causing a material loss. Analyses may be based on assumptions that are based upon a limited number of variables that may be extracted from complex financial markets or instruments they intend to replicate. Any one or all of these assumptions could over time prove to be inaccurate, which could result in major losses.

**Fixed Income Strategies.** NB LLC's fixed income strategies are managed by teams comprised of experienced portfolio managers and investment analysts. NB LLC provides investment management for a variety of fixed income strategies, including the following:

Investment Grade  
 Non-Investment Grade  
 Tax-Exempt Municipal

NB LLC's fixed income strategies involve various material risks. The following is a summary of material risks associated with NB LLC fixed investment strategies. Please note that certain risks may not apply to all NB LLC investment strategies or apply to a material degree. Investors in Affiliated Funds and Non-Affiliated Funds should look to the relevant Offering Documents and other fund offering documentation for further information on the risks associated with a particular fund.

- **Risk of Loss.** Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential

loss of the entire investment in the Client Accounts, which clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. The investment decisions made and the actions taken for Client Accounts will be subject to various market, liquidity, currency, economic, political and other risks, and will not necessarily be profitable and may lose value. Past performance of Client Accounts is not indicative of future performance.

In addition to the risks listed here, there may be additional material risks associated with the types of products in which your account invests. Clients should refer to the prospectus or other applicable offering documents of those particular products for a discussion of applicable risk factors for that particular investment.

- **Fixed-Income Securities Risk.** Fixed-income securities include traditional debt securities issued by corporations, such as bonds and debentures and debt securities that are convertible into common stock and interests. The market value of fixed-income securities is sensitive to changes in interest rates. In general, when interest rates rise, the fixed-income security's market value declines and when interest rates decline, its value rises. Normally, the longer the remaining maturity of a security, the greater the effect of interest rate changes on the market value of the security. Fixed income securities are subject to the credit risk of the issuer. Changes in the ability of an issuer to make payments of interest and principal and in the market's perception of an issuer's creditworthiness affect the market value of fixed-income securities of that issuer.

Fixed-income securities may also be subject to yield curve risk. When the yield curve shifts, the price of a bond, which was initially priced based on the initial yield curve, will change. Keeping the duration of the bond portfolio relatively short reduces yield curve risk.

Fixed-income securities may also be subject to call risk. When interest rates are low, issuers will often repay the obligation underlying a "callable security" early, in which case the strategy may have to reinvest the proceeds in an investment offering a lower yield and may not benefit from any increase in value that might otherwise result from declining interest rates.

Additionally, fixed-income securities are subject to inflation risk, liquidity risk and reinvestment risk. Inflation risk is the risk that inflation will erode the purchasing power of the cash flows generated by debt securities held under this strategy. Fixed-rate debt securities are more susceptible to this risk than floating rate debt securities. Liquidity risk is the risk that certain fixed income securities may be difficult to sell at the time and at the price the strategy would like, which may cause the strategy to hold these securities for longer than it would like or to forego other investment opportunities. Reinvestment risk is the risk that when interest income from debt securities is reinvested, interest rates will have declined so that income must be reinvested at a lower interest rate. A decline in income could affect a strategy's overall return.

- **Municipal Securities Risk.** The municipal securities market could be significantly affected by adverse political and legislative changes, as well as uncertainties in the municipal securities market related to taxation or the rights of security holders. Municipal Securities backed by current or anticipated revenues from a specific project or specific asset may be adversely impacted by declines in revenue collection from the project or asset. Changes in the financial health of a municipality may make it difficult for it to make interest and principal payments when due. To the extent that a strategy invests in “private activity bonds,” a part of its dividends will be a tax preference item for purposes of the federal alternative minimum tax. In addition, changes in market conditions and the financial condition of the issuers may adversely affect the yield and value of a strategy’s municipal securities investments.
- **Non-U.S. and Emerging Market Risk.** Non-U.S. securities involve risks in addition to those associated with comparable U.S. securities and can be more volatile and experience more rapid and extreme changes in price than U.S. securities. Additional risks include exposure to less developed or less efficient trading markets; social, political or economic instability; fluctuations in non-U.S. currencies; nationalization or expropriation of assets; settlement, custodial or other operational risks; and less stringent auditing, accounting, financial reporting and legal standards. As a result, non-U.S. securities can fluctuate more widely in price, and may also be less liquid, than comparable U.S. securities. Securities markets of countries other than the U.S. are generally smaller than U.S. securities markets with a limited number of issuers representing fewer industries. In many countries, there is less publicly available and lower quality information about issuers than is available in the reports and ratings published about issuers in the U.S. Many non-U.S. securities may be less liquid than U.S. securities, which could affect the investments under a strategy that utilizes these types of securities. The exchange rates between the U.S. dollar and non-U.S. currencies might fluctuate, which could negatively affect the value of the strategy’s investments.

Emerging markets are those of countries with immature economic and political structures. Investing in emerging markets may involve heightened and significant risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include, but are not limited to: (i) greater social, economic and political uncertainty including war; (ii) higher dependence on exports and the corresponding importance of international trade; (iii) greater risk of inflation; (iv) increased likelihood of governmental involvement in and control over the economies; (v) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (vi) the possibility of nationalization, expropriation, confiscatory tax policies and social instability; and (vii) considerations regarding the maintenance of a Client Account’s securities and cash with non-U.S. brokers and custodians. Companies in emerging markets are generally subject to less stringent and less uniform accounting, auditing and financial reporting standards, practices and disclosure requirements than those applicable to companies in developed countries. Securities markets in emerging market countries may have substantially less



volume of trading and are generally more volatile than securities markets of developed countries. In certain periods, there may be little liquidity in such markets. There is often less government regulation of stock exchanges, brokers and listed companies in emerging market countries than in developed market countries. Commissions for trading on emerging markets stock exchanges are generally higher than commissions for trading on developed market exchanges. Settlement of trades in some non-U.S. markets is much slower and more subject to failure than in U.S. markets. In addition, custodial and/or settlement systems may not be fully developed in emerging market countries, thereby exposing a Client's Account to the risk of a sub-custodian's failure with no recourse against the custodian.

Many of the laws that govern private and foreign investment, securities transactions and other contractual relationships in emerging markets are new and largely untested. As a result, investing in emerging markets involves a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain emerging markets.

Emerging market securities also will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of the account's investments. Volatility or illiquidity could impair an account's profitability or result in losses.

- **Recent Market Conditions.** The financial crisis, recession and uneven recovery in the U.S. and global economies over the past several years has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets and the economy at large. Both U.S. and international equity and fixed income markets have experienced heightened volatility and turmoil, with issuers that have exposure to the real estate, mortgage and credit markets particularly affected. In addition, global markets and economic conditions have been negatively affected by the inability of certain E.U. member states to service their sovereign debt obligations. The continued uncertainty over the outcome of the E.U. governments' financial support programs and the possibility that other E.U. member states may experience similar financial troubles could further disrupt global markets, which may have an adverse effect on Client Accounts.

These market conditions have resulted in fixed income instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for borrowers to obtain financing on attractive terms, if at all. As a result, the values of many types of securities have been reduced, including, but not limited to, mortgage-backed, asset-backed and

corporate debt securities. During times of market turmoil, investors often look to the safety of securities issues or backed by the U.S. Treasury, causing the prices of these securities to rise and the yield to decline.

The reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide, illiquidity in these markets may mean there is less money available to purchase raw materials and goods and services, which may, in turn, bring down the prices of these economic staples. The values of some sovereign debt and of securities of issuers that hold sovereign debt have fallen. These events and the potential for continuing market turbulence may have an adverse effect on Client Accounts. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region.

- **Lower-Rated Debt Securities Risk.** Lower-rated debt securities involve greater risks than investment grade debt securities. Lower-rated debt securities may fluctuate more widely in price and yield than investment grade debt securities and may fall in price during times when the economy is weak or is expected to become weak. Lower-rated debt securities carry a greater risk that the issuer of such securities will default in the timely payment of principal and interest. Issuers of securities that are in default may fail to resume principal or interest payments, in which case an account may lose its entire investment.
- **Illiquidity Risk.** A strategy may hold securities that are illiquid and cannot be transferred or redeemed for a substantial period of time, and there may be little or no near-term cash flow available to investors in the interim. Likewise, a portfolio may not receive any distributions representing the return of capital on an illiquid security for an indefinite period of time.
- **Investment Strategy and Portfolio Management Risk.** There can be no assurance that an investment strategy will produce an intended result, which would result in losses to an investor, including, potentially, a complete loss of principal. The performance of a strategy depends on the skill of NB LLC and its portfolio manager(s) in making appropriate investment decisions.
- **Tax Risk.** A strategy's U.S. federal income tax liability with respect to income and gains on an investment may exceed its overall return for such a year. Further, a strategy may face limitations with respect to its ability to use its allocable share of deductions and losses from its investments in certain securities.

**Guided Portfolio Solutions Program.** NB LLC's GPS Program is managed by a team of experienced portfolio managers and investment analysts. GPS is an investment advisory service under which NB LLC provides asset allocation and discretionary investment management by allocating assets among a portfolio of NB Registered Funds. NB LLC's GPS Program involves various material risks. The following is a summary of material risks associated with investing in

the GPS Program. Investors should also refer to the risk factor discussion in the prospectuses of the NB Registered Funds that are part of the GPS Program.

- **Model Risk.** To the extent a strategy uses or implements investment models, such as asset allocation models, performance will be largely influence on the success of implementing and managing the investment models that assist in allocating assets. Models that have been formulated on the basis of past market data may not be predictive of future price movements. Models may not be reliable if unusual or disruptive events cause market moves the nature or size of which are inconsistent with the historic correlation and volatility structure of the market. Models also may have hidden biases or exposure to broad structural or sentiment shifts. In the event that actual events fail to conform to the assumptions underlying such models, losses could be incurred.
- **Asset Allocation Risk.** If a strategy, such as an asset allocation strategy, favors exposure to an asset class during a period when that asset class underperforms other asset classes, performance may suffer.

**Private Fund Strategies.** NB LLC's private fund strategies include proprietary single-manager private investment vehicles that incorporate "long only" investment strategies (*i.e.*, no short sales or direct use of leverage) and funds that utilize "hedging" and other investment strategies more commonly associated with hedge funds, including, long/short equities, long/short thematic, relative value and event-driven trading styles, among others.

The following is a summary of the inherent material risks associated with investing in private funds. Investors in Private Funds should carefully review the Offering Documents and other fund offering memoranda and documentation for further information on the risks associated with investing in a particular Private Fund.

- **Leveraged and Speculative Investments.** An investment in private funds is speculative and involves a high degree of risk. Private funds commonly engage in swaps, futures, forwards, options and other derivative transactions that can result in volatile fund performance. Leveraging may increase risk.
- **Limited Liquidity.** There are limited channels in the secondary market through which investors can attempt to sell and/or purchase interests in private funds. An investor's ability to transact business in the secondary market is subject to restrictions on transferring interest in private funds, and private funds may suspend or limit the right of redemption under certain circumstances. Thus, an investment in private funds should be regarded as illiquid.
- **Absence of Regulatory Oversight.** Private funds are not required to be registered under the Investment Company Act; therefore private funds are not subject to the same regulatory requirements as mutual funds.

- **Dependence upon Investment Manager.** The general partner or manager of a private fund normally has total trading authority over its respective fund. The use of a single advisor applying generally similar trading programs could mean the lack of diversification and consequently, higher risk.
- **Foreign Exchanges.** Selective private funds may execute a portion of their trades on foreign exchanges. Material economic conditions and/or events involving those exchanges may affect future results.
- **Fees and Expenses.** Private funds often charge high fees; such fees and expenses may offset trading profits.
- **Complex Tax Structures.** Private funds may involve complex tax structures and delays in distributing important tax information.
- **Limited Reporting.** While private funds generally may provide periodic performance reports and annual audited financial statements, they are not otherwise required to provide periodic pricing or valuation information to investors.
- **Business and Regulatory Risks of Private Funds.** Legal, tax and regulatory changes could occur during the term of a private fund that may adversely affect the fund or its managers.

Private Fund strategies may pursue a variety of strategies, including strategies that incorporate equity and fixed income strategies. Accordingly, Private Fund strategies that incorporate equity and fixed income strategies will be subject to the material risks associated with NB LLC equity and fixed income strategies as described above, and other risks, including:

- **Risk of Loss.** Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment in the Client Accounts, which clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. The investment decisions made and the actions taken for Client Accounts will be subject to various market, liquidity, currency, economic, political and other risks, and will not necessarily be profitable and may lose value. Past performance of Client Accounts is not indicative of future performance.

In addition to the risks listed here, there may be additional material risks associated with the types of products in which your account invests. Clients should refer to the prospectus or other applicable offering documents of those particular products for a discussion of applicable risk factors for that particular investment.

- **Short Selling.** A strategy may engage in short selling. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in securities. There can be no assurance that the security necessary to cover a short position will be available for purchase, nor that the price of the underlying security will not increase, thus increasing the cost of buying those securities to cover the short position.
- **Investment Strategy and Portfolio Management Risk.** There can be no assurance that an investment strategy will produce an intended result, which would result in losses to an investor, including, potentially, a complete loss of principal. The performance of a strategy depends on the skill of NB LLC and its portfolio manager(s) in making appropriate investment decisions.
- **Commodities and CFTC Disclosure:** NB LLC is registered as a Commodity Pool Operator (a “CPO”), a Commodity Trading Advisor (a “CTA”) and a Futures Commission Merchant (“FCM”) with the CFTC and is a member of the National Futures Association (“NFA”). Many of NB LLC’s management personnel are registered as associated persons with the NFA. Notwithstanding such registrations, NB LLC has and may in the future seek to rely on exemptions from registration as a CPO and CTA with respect to certain accounts and pools that qualify for such exemptions. For example, NB LLC currently claims an exemption from registration with the CFTC as a CPO with respect to certain Private Funds under CFTC Rule 4.13(a)(3), based on the nature of the private offering of interests in such Private Funds, the qualifications of the Private Fund’s investors, and the Private Fund’s limited use of commodity interests. CFTC Rule 4.13(a)(3) limits the amount of commodity interest trading in which the relevant Private Fund is permitted to engage. Accordingly, the Private Fund may have to limit its commodity interest trading more than would otherwise be advisable in order to claim the exemption under CFTC Rule 4.13(a)(3). Additionally, as a result of claiming certain exemptions, NB LLC may not be required to comply with the disclosure, reporting and recordkeeping requirements generally applicable to registered commodity pool operators, including delivery to investors of a disclosure document and a certified annual report designed to meet CFTC requirements. Please review the relevant Private Fund’s Offering Documents for more information about applicable CFTC rules.
  - **Commodities.** The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them. In trading commodities, Investors are subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses or counterparties.

- **Hedging.** Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the hedging instrument and the Private Fund's position being hedged; (ii) possible lack of a secondary market for closing out a position in such instruments; (iii) losses resulting from interest rate, spread or other market movements not anticipated by NB LLC; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Private Fund's position; and (v) default or refusal to perform on the part of the counterparty with which the Private Fund account trades. Furthermore, to the extent that any hedging strategy involves the use of derivatives instruments, such a strategy will be subject to the risks applicable to such instruments, including the effects of the implementation of the various regulations adopted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"). The Dodd-Frank Act has initiated a dramatic revision of the U.S. financial regulatory framework and consumer credit markets that is expected to continue to unfold over several years.
- **Government and Other Interest Rate Securities.** Income securities, which may be employed as cash equivalents from time to time, are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Depending on the timing of the purchase of a fixed-income security and the price paid for it, changes in prevailing interest rates may increase or decrease the security's yield. Typically, the longer the maturity of a debt security, the greater the effect a change in interest rates could have on the security's price. Market risk relates to the changes in the risk or perceived risk of an issuer, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial condition of the issuing entities.
- **Exchange-Traded Funds.** From time to time, certain Private Funds may invest their assets in exchange-traded funds ("**ETFs**") to gain exposure to certain markets or implement certain currency hedging or currency management views. ETFs represent shares of ownership in funds, unit investment trusts or depository receipts that hold portfolios of securities or individual issuers which closely track the performance of specific instruments, including broad market, sector or international indexes. ETFs give investors the opportunity to buy or sell an entire portfolio of securities of individual issuers in a single security, as easily as buying or selling a share of stock, or to gain exposure to other instruments. They can offer a wide range of investment opportunities. While similar to a mutual fund, ETFs differ from mutual funds in significant ways. Unlike mutual funds, ETFs are priced and can be bought and sold throughout the trading day. Certain ETFs, such as leveraged and inverse ETFs, seek to deliver multiples of the performance of the index or benchmark they track (or the inverse of such index or benchmark), and can significantly magnify the risk of losing capital in volatile or uncertain markets. As a result of using leverage, an ETF is subject to the risk of

failure in the futures and options markets it uses to obtain leverage and the risk that a counterparty will default on its obligations, which can result in a loss to the Fund. Other ETFs feature actively managed portfolios that do not seek to replicate the performance of any particular market index. ETFs pursuing international investment strategies can be subject to local trading restrictions, limits on securities transfers or potentially unfavorable tax treatment based on applicable tax rules of such jurisdictions. ETFs with new features continue to be proposed by sponsors and the regulations that govern ETFs are subject to change. ETFs are subject to tracking error and may be unable to sell poorly performing stocks that are included in their index. ETFs may trade in the secondary market at prices below the value of their underlying portfolios and may not be liquid. Moreover, an ETF may not fully replicate the performance of its benchmark index, if any, because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of stocks held. The market value of an ETF share may differ from its net asset value; the share may trade at a premium or discount to its net asset value, which may be due to, among other things, differences in the supply and demand in the market for the share and the supply and demand in the market for the underlying assets of the ETF. The market for certain ETFs can be more thinly traded than others, resulting in limited liquidity that could impact the Fund's ability to enter or exit investments therein at an optimal price. Investing in ETFs, which are investment companies, may involve duplication of advisory fees and certain other expenses and is subject to the risks of the ETF's investments. To the extent a Private Fund invests in ETFs, the Private Fund will bear the fees and expenses of such ETFs.

- **Derivatives Risk.** Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference or index. In implementing certain of its Private Fund investment strategies, NB LLC or its designated affiliate may use derivatives, such as futures, options, forward contracts and swaps, as part of a strategy designed to reduce exposure to other risks or to take a position in an underlying asset. Derivatives may involve risks different from, or greater than, those associated with more traditional investments. Derivatives can be highly complex, can create investment leverage and may be highly volatile, which would result in the strategy losing more than the amount it invests. Derivatives may be difficult to value and highly illiquid, and the strategy may not be able to close out or sell a derivative position at a particular time or at an anticipated price. NB LLC is not required to engage in derivative transactions, even when doing so would be beneficial to the account.

In addition, NB LLC or its designated affiliate may take advantage of opportunities with respect to derivative instruments that are not currently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the Private Fund's investment objectives and guidelines and legally permissible. Special risks may apply to such instruments that are invested in the future that cannot be determined at this time or until such instruments are developed or invested in by the relevant Private Fund. Derivatives may also be affected by the implementation of the various regulations adopted pursuant to the Dodd-Frank Act. The impact of the Dodd-Frank Act is not yet certain.

**Financial Planning Analysis.** From time to time, NB LLC may provide a one-time financial planning analysis. There can be no assurance that its FP Analyses will result in profitable investing or avoidance of loss, or the achievement of any financial goals. The FP Analysis is highly reliant on the accuracy of the information provided by the client and by third parties. Any inaccurate information could compromise the quality of the advice provided. The FP Analysis is often time sensitive, especially during times of significant market volatility and the FP Analysis does not include any on-going or periodic review, follow-up or monitoring. FPA Clients have sole discretion and final responsibility for deciding whether to buy, sell, hold or otherwise transact in any security. The client may be unable to execute the related transaction, or there could be a delay in the amount of time the client takes to execute the related transaction that renders the advice provided moot, potentially reducing any profit or causing a material loss. The FP Analysis may be based on assumptions that are based upon a limited number of variables that may be extracted from complex financial markets or instruments they intend to replicate. Any one or all of these assumptions could over time prove to be inaccurate, which could result in major losses. Before implementing any financial plan, FPA Clients should consider carefully the ramifications of purchasing products or services and seek further advice from the client's lawyer and/or accountant, including in connection with estate planning, taxes or small business owner planning issues. In addition, NB LLC has designated specific employee(s) as NB FPA Consultant(s) with oversight responsibilities for each FP Analysis produced for FPA Clients. NB FPA Consultants may hold financial planning educational or professional credentials, such as the Certified Financial Planner™ (CFP®) designation. Holding a professional designation typically indicates that the individual has completed certain courses or continuing education. NB LLC does not, however, monitor compliance with any such professional credentials by any NB FPA Consultant and makes no representations or warranties regarding the use of any such professional designations or the educational or professional credentials of any NB FPA Consultant. In addition, NB LLC does not comply with any industry association standards or requirements in respect of the FP Analysis and any related discussions, and NB LLC is not providing "financial planning services" as such term is defined by any industry associations, including but not limited to the CFP Board.

***Investments in securities and other financial instruments involve risk of loss that investors must be prepared to bear.***



## **Item 9: Disciplinary Information**

NB LLC does not believe it has any legal or disciplinary events that are material to a client's evaluation of NB LLC's advisory business or the integrity of NB LLC's management. There is other disciplinary information related to NB LLC's broker-dealer business which can be found in Part 1 of NB LLC's Form ADV.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker-Dealer or Registered Representative**

NB LLC is a registered broker-dealer and many of its management personnel are registered as representatives with FINRA. For the majority of portfolio transactions for Separate Account and Wrap Program Accounts, NB LLC does not receive a brokerage commission for effecting securities trades. NB LLC receives an “all-inclusive fee” for advisory and brokerage services. In those cases where NB LLC does receive brokerage commissions, they are at a negotiated rate. Subject to applicable law, NB LLC or its affiliates may also receive sales commissions in connection with the sale of interests in the Affiliated Funds.

See Item 5.E and Item 12.A for further information with respect to fees NB LLC receives in connection with securities transactions.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor or Associated Person**

NB LLC is registered as a CPO, a CTA and an FCM with the CFTC. Certain of NB LLC’s management personnel are registered with the NFA as principals and/or associated persons of NB LLC and may also be associated persons and/or principals with the NFA through their affiliation with affiliates of NB LLC. Notwithstanding such registrations, NB LLC has and may in the future seek to rely on exemptions from registration as a CPO and CTA with respect to certain accounts and pools that qualify for such exemptions, including for pools with sophisticated investors whose exposure to investments deemed to be “commodity interests” is limited.

### **C. Registration as a Municipal Securities Dealer**

NB LLC is registered as a Municipal Securities Dealer with the MSRB. As a broker-dealer that is engaged in the business of effecting transactions in municipal securities for the accounts of its clients, Neuberger Berman LLC is required to register with the MSRB and the SEC as a Municipal Securities Dealer. As a registered Municipal Securities Dealer, NB LLC is subject to MSRB rules which are enforced by the FINRA and the SEC.

### **D. Material Relationships**

NB LLC currently has certain relationships or arrangements with related persons that are material to its advisory business or its clients. Below is a discussion of such relationships/arrangements and conflicts that arise from them.

**1. *Broker-dealer, municipal securities dealer, or government securities dealer or broker***

NB LLC is affiliated with Neuberger Berman Management LLC (“**NBM**”), a limited purpose broker-dealer and SEC-registered adviser that organizes and forms the NB Registered Funds. See Items 10.C.1, 10.C.2 and 10.C.3 below for further information regarding arrangements between NB LLC and NBM.

In addition, NB LLC employees may also be officers and/or registered representatives of NBM. In such capacity, they may sell or provide similar services as the services offered by NB LLC. The existence of these relationships may create the appearance of a conflict of interest. See Item 11.B.7 and Item 11.D.6.

The Firm has established policies and procedures reasonably designed to prevent the misuse by the Firm and its personnel of material information regarding issuers of securities that have not been publicly disseminated. See Item 11.D.1.

**2. *Investment Company or other pooled investment vehicle***

NB LLC acts as adviser or sub-adviser to certain Affiliated Funds (including the NB Registered Funds and affiliated Private Funds). Management persons of NB LLC may act as directors or officers of Affiliated Funds.

In its capacity as a registered broker-dealer, NB LLC may execute transactions for certain of the Affiliated Funds and receive brokerage commissions in that regard. Further information on these functions and relationship is contained in the offering materials for such funds. Any transactions for the NB Registered Funds are conducted in accordance with the requirements of Rule 17e-1 under the Investment Company Act.

Subject to the investment guidelines and applicable law, NB LLC may invest certain Separate Accounts in Affiliated Funds. See Item 5.C regarding additional fees and expenses associated with investments in Affiliated Funds.

NB LLC acts as placement agent for certain of the Affiliated Funds and may receive sales compensation in that regard (See Item 5). For Affiliated Funds that are managed (and not sub-advised) by a related party of NB LLC, such compensation is normally paid out of any management fees or incentive allocations payable by the Affiliated Fund pursuant to terms of its Offering Documents and not by means of an additional fee charged by such fund.

NB LLC has a conflict of interest to the extent that it recommends or invests Client Accounts in, or recommends that FPA Clients invest in, the Affiliated Funds (rather than in Non-Affiliated Funds) due to (i) the benefit the Firm may receive in connection with increased subscriptions to the Affiliated Funds and thus larger funds and (ii) with respect to NB Registered Funds or certain other Affiliated Funds, the fact that NB LLC and/or certain affiliates receive commission revenue for distributing such funds.

Neither NB LLC nor its related persons are obligated to allocate any specific amount of time or investment opportunities to a particular Client Account or FPA Client. Because NB LLC may receive a performance fee in connection with its management of a Private Fund, NB LLC may be incentivized to devote a disproportionate amount of time and resources to the Private Fund at the expense of other accounts that are not charged a performance fee. NB LLC and its related persons intend to devote as much time as they deem necessary for the management of each account, and will allocate investment opportunities between Private Funds and other accounts managed in a similar strategy in accordance with NB LLC's trade allocation policy described in Item 12.B.

### **3. *Other investment adviser or financial planner***

NB LLC has relationships that are material to its advisory business with the following affiliated investment advisers (the "**Advisory Affiliates**").

#### SEC-Registered Advisers:

Neuberger Berman Management LLC  
Neuberger Berman Fixed Income LLC  
NB Alternative Advisers LLC  
NB Alternative Investment Management LLC  
Neuberger Berman Asia Ltd.  
Neuberger Berman Europe Limited  
Neuberger Berman Singapore Pte. Limited

#### Non-SEC-Registered Advisers:

Neuberger Berman East Asia Limited  
Neuberger Berman Australia Pty Limited  
Neuberger Berman Taiwan Limited

Where required, personnel of non-SEC-registered advisers are considered "access persons" of NB LLC and are subject to certain NB LLC policies and procedures as well as supervision and periodic monitoring.

Certain NB LLC portfolio management personnel are also officers of some of these Advisory Affiliates and provide investment management services to clients of such affiliates. Neither NB LLC nor its related persons are obligated to allocate any specific amount of time or investment opportunities to a particular Client Account or FPA Client. NB LLC and its related persons intend to devote as much time as they deem necessary for the management of Client Accounts (and provision of FP Analyses) and will allocate investment opportunities in accordance with NB LLC's trade allocation policy. See also Item 6 and Item 11.D.6 with respect to side-by-side management issues.

Depending on the strategy, investment professionals from such Advisory Affiliates may have decision-making roles for NB LLC Client Accounts.

In providing investment management services to its clients, NB LLC may draw upon the portfolio management, trading, research, operational and administrative resources of its affiliates, including using affiliates to execute transactions for client accounts. Subject to the written consent of the client and the regulatory status of the affiliate, NB LLC may engage one or more of these affiliates as sub-adviser or may treat these affiliates as “participating affiliates,” the latter in accordance with the applicable SEC No-Action Letters. If affiliates act as a sub-adviser, investment professionals from such affiliates may be delegated decision-making roles for some or all aspects of the strategy, including the opening of brokerage accounts and the placement of orders to deploy the strategy. As participating affiliates, whether or not registered with the SEC, the affiliates may provide designated investment personnel to associate with NB LLC and perform specific advisory services to NB LLC consistent with the powers, authority and mandates of NBF’s clients. The employees of a participating affiliate are designated to act for NB LLC and are subject to certain NB LLC policies and procedures as well as supervision and periodic monitoring by NB LLC. The participating affiliate agrees to make available certain of its employees to provide investment advisory services to NB LLC’s clients through NB LLC, to keep certain books and records in accordance with the Advisers Act and to submit the designated personnel to requests for information or testimony before SEC representatives. Participating affiliates may also be delegated the duty to place orders for certain securities and commodity interest transactions pursuant to an agreement between NB LLC and the participating affiliate.

Subject to the written consent of the client, NB LLC may engage one or more of these Advisory Affiliates as a sub-adviser to manage its Separate Accounts. See Item 10.D.

The views and opinions of NB LLC, and those of its Advisory Affiliates and their research departments, may differ from one another, as well as from their respective Chief Investment Officers and the Investment Strategy Group. As a result, Client Accounts managed by NB LLC or its Advisory Affiliates (or FPA Clients of NB LLC) may hold securities or pursue strategies that reflect differing investment opinions or outlooks at the time of their acquisition or subsequent thereto. See Item 11.B.7. The Firm has established policies and procedures reasonably designed to prevent the misuse by the Firm and its personnel of material information regarding issuers of securities that have not been publicly disseminated. See Item 11.D.1.

#### **4. *Futures commission merchant, commodity pool operator, or commodity trading advisor***

Please see discussion above in Item 10.C.3 for relationship with Neuberger Berman Fixed Income LLC (registered CTA and CPO) and NB Alternative Investment Management LLC (registered CPO).

#### **5. *Banking or thrift institution***

NB LLC is affiliated with Neuberger Berman Trust Company N.A. and Neuberger Berman Trust Company of Delaware N.A. (collectively the “**NB Trust Companies**”). NB Trust Companies

provide comprehensive fiduciary and wealth management services to high net worth individuals, families and their related entities, including, investment management, custody, tax and financial planning, trustee and executor services, planned giving and philanthropic advisory services. In addition, Neuberger Berman Trust Company N.A. provides investment management, custody, and other fiduciary services to institutional clients. NB Trust Companies may appoint NB LLC to serve as its sub-custodian and investment sub-adviser pursuant to agreements with NB LLC, and in such circumstances, NB LLC may also be utilized as the broker-dealer. Certain personnel of NB LLC provide investment management support and client relationship management services to NB Trust Companies, pursuant to an Administrative Services Agreement between NB Trust Companies and Neuberger Berman Group LLC.

**6. *Accountant or accounting firm***

None.

**7. *Lawyer or law firm***

None.

**8. *Insurance company or agency***

None.

**9. *Pension consultant***

None.

**10. *Real estate broker or dealer***

None.

**11. *Sponsor or syndicator of limited partnerships***

Affiliates of NB LLC act as the general partner, managing member or director of certain Private Fund entities managed by NB LLC. See Item 10.C.2. Further information about the partnerships where affiliates of NB LLC serve as the general partner is available in Section 7.B of Schedule D of Part 1 of NB LLC and its affiliated SEC-registered advisers' Form ADVs. See Item 10.C.2.

**E. Selection of Other Investment Advisers**

From time to time, NB LLC may engage other advisers, including its affiliates, to act as sub-advisers for its Separate Accounts and Affiliated Funds. In addition, from time to time, NB LLC may delegate some or all of its role as adviser to other advisers, including its affiliates, for its Separate Accounts, Affiliated Funds and Non-Affiliated Funds. NB LLC may invest client assets in the Affiliated Funds or Non-Affiliated Funds. In connection with these investments and the

selection of potential sub-advisers, NB LLC makes recommendations and/or selections of underlying investment managers for these clients.

NB LLC performs detailed due diligence on third party potential sub-advisers or advisers to these pooled investment vehicles before selecting them, including but not limited to, analysis of the adviser's investment process and results, including the length of their track record, consideration of the assets under management, and interviews with members of the adviser's senior management and investment teams. NB LLC's decision to continue to use a sub-adviser or invest in a fund managed by another adviser depends upon various factors which may include, but not be limited to, the sub-adviser's performance record, management style, number and continuity of investment professionals, and client servicing capabilities.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

In order to address conflicts of interest, NB LLC has adopted a Compliance Manual and the Neuberger Berman Code of Ethics and Code of Conduct (the “**Conflicts Procedures**”). The Conflicts Procedures are applicable to all of NB LLC’s officers, members, and employees (collectively, “**Employees**”). The Conflicts Procedures generally set the standard of ethical and professional business conduct that the Firm and NB LLC require of its Employees. The Conflicts Procedures consist of certain core principles requiring, among other things, that Employees: (1) at all times place the interests of clients first; (2) ensure that all personal securities transactions are conducted in such a manner as to avoid any actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility; (3) refrain from taking advantage of their positions inappropriately; and (4) at all times conduct themselves in a manner that is beyond reproach and that complies with all applicable laws and regulations.

As discussed further below, the Conflicts Procedures include provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other topics. All Employees must acknowledge the terms of the Code of Ethics annually, or when it is materially amended.

In addition, the Conflicts Procedures impose certain additional requirements on Access Persons (as defined in the Conflicts Procedures) who are advisory persons. It also requires Access Persons to report personal securities transactions on at least a quarterly basis or as otherwise required and provide the Firm with a detailed summary of certain holdings (initially upon becoming an Access Person and annually thereafter) over which such Access Persons have a direct or indirect beneficial interest.

Clients may obtain a copy of the Code of Ethics by contacting their Client Service Representative.

### **B. Participation or Interest in Client Transactions**

NB LLC may participate or have an interest in client transactions as described below. NB LLC makes all investment management decisions in its clients’ best interests.

#### **1. *Principal and Agency Transactions:***

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, buys from, or sells any security to, an advisory client. A principal transaction would occur if NB LLC bought securities for its own inventory from an NB LLC advisory client or



sold securities from its inventory to an NB LLC advisory client. NB LLC does not have its own inventory of securities (other than, from time to time, as a client accommodation in accordance with applicable rules) and therefore will not engage directly in principal transactions with clients.

However, if NB LLC, its affiliates or principals own a substantial equity interest in a Client Account, transactions involving that Client Account and another client could be characterized as a principal transaction. For example, if NB LLC, its affiliates or principals have a substantial equity interest in an Affiliated Fund, the transfer of securities from that Affiliated Fund's account to a Separate Account could be a principal transaction.

Affiliated Funds may engage in such principal transactions with a NB LLC Separate Account if permitted in its particular offering memoranda, prospectus or other offering document. In such a situation, NB LLC would (i) disclose the transaction to the client and obtain the client's consent in accordance with Section 206-3 of the Advisers Act, and (ii) comply with applicable federal law, as well as any requirements imposed by the funds themselves. The potential conflicts of interest are disclosed in the relevant fund's Offering Documents. Such principal transactions present conflicts of interest which may include the adviser or affiliate earning a fee or earning (or losing) money as a result of the transaction.

An "agency cross transaction" is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. For example, an agency cross trade would occur if securities are purchased or sold between one of NB LLC's Separate Accounts through NB LLC and a non-discretionary account client for which NB LLC acts as broker. NB LLC may infrequently engage in agency cross transactions.

NB LLC acts as broker or "agent" to effect securities transactions for some of its Client Accounts. Please see the response to Item 12.A for a discussion of the conflicts associated with this practice.

## **2. *Cross Transactions***

Cross trades involve the transfer, sale or purchase of assets from one client to another client without the use of a broker-dealer. NB LLC may engage in cross trading where permissible, if it determines that such action would be favorable to both clients and the conditions for the transaction, fair to both parties. In such circumstances, NB LLC will not receive compensation for the transaction.

## **3. *Affiliated Broker***

NB LLC is affiliated with NBM. NBM is a limited purpose broker-dealer and does not execute transactions for NB LLC Client Accounts.

#### **4. *Financial Interests in Securities or Investment Products***

NB LLC may invest Client Accounts in (or recommend to FPA Clients) investments in which NB LLC or its affiliates have a direct or indirect financial interest. Such financial interest could include, but is not limited to, having a business relationship (whether client, broker, vendor or investment consultant) or serving as investment adviser, general partner, managing member or director for a particular investment product. In such instances the purchase or sale of a security as directed by NB LLC on behalf of its client(s) may have an impact on the price of such security, which may indirectly benefit (or act to the detriment of) its affiliates.

NB LLC and its Advisory Affiliates act in various capacities with respect to the Affiliated Funds from which they receive advisory, distribution or other fees. When appropriate and in accordance with applicable law, NB LLC may invest client funds in the Affiliated Funds. Due to the compensation NB LLC and/or its affiliates derive from the Affiliated Funds, NB LLC has an incentive to use the Affiliated Funds or the GPS Program for client investments instead of other similar investments which could be more or less beneficial to a client. See Item 5.C and 10.C.2.

#### **5. *Employee Investment in NB LLC Products***

NB LLC employees may be investors in the Firm's Private Funds or NB Registered Funds. Any employee investments are made in conformity with the Conflicts Procedures which include procedures governing the use of confidential information and personal investing. NB LLC also maintains Separate Accounts for employees. NB LLC maintains a policy that prohibits "insider accounts" that do not pay investment advisory fees from receiving a more favorable execution price than that received on the same day by other NB LLC Client Accounts. See also Item 11.C.

#### **6. *Buying and Selling Securities That Are Recommended to Clients:***

NB LLC may recommend to clients investments in which Neuberger Berman, its affiliates or employees are also invested. Key personnel of NB LLC may be invested directly in affiliated Private Funds and the performance fee distributions and management fee payable by such affiliated Private Funds may be separately negotiated by NB LLC. Certain Private Funds may elect to waive management or performance fees/allocation for employees of the Firm who invest in the Private Fund pursuant to the Firm's employee investment program.

NB LLC manages Separate Accounts for employees and other related persons. NB LLC may recommend the purchase of Affiliated Funds to these "insider accounts" as well as to Client Accounts and FPA Clients. NB LLC may also recommend to clients securities in which a related person has established an interest independent of NB LLC. NB LLC may purchase and sell securities for its accounts that the Firm or its employees have seeded.

NB LLC provides investment advisory services to various clients which may differ from the advice given, or the timing and nature or action taken, with respect to any one account. NB LLC, its affiliates, and employees (to the extent not prohibited by the Code of Ethics), and other clients may have, acquire, increase, decrease, or dispose of securities or interests at or about the same

time that NB LLC is purchasing or selling securities or interests for an account which are or may be deemed to be inconsistent with the actions taken by such persons.

All such investments are made in conformity with the Conflicts Procedures and NB LLC's Aggregation and Allocation Procedures (See Item 12.B.)

#### **7. *Other Interests in Client Transactions***

NB LLC employees may also be officers, employees and/or registered representatives of any of the Advisory Affiliates. In such capacity, they may sell or provide similar services as the services offered by NB LLC. The views and opinions of NB LLC or any of the Advisory Affiliates and their research staff, may differ from one another. As a result, Client Accounts may hold, and NB LLC may recommend that FPA Clients invest in, securities or other investment products for which each of these entities may have a different investment opinion or outlook at the time of their acquisition or subsequent thereto.

### **C. Personal Trading**

NB LLC, or one or more of its affiliates, including employees, from time to time, may invest for their own account directly or through a Private Fund or NB Registered Funds, in equity, fixed income, derivative or other investments in which NB LLC may also invest on behalf of Client Accounts. Moreover, NB LLC and its affiliates and their respective employees may buy, sell or hold securities while entering into different investment decisions for one or more Client Accounts. All such investments are made in accordance with the Conflicts Procedures.

NB LLC's employees and those of its affiliates may participate directly or indirectly in Private Fund investments to the extent permitted by the terms of the relevant Private Fund's partnership agreement. Such participation in each investment will be on substantially the same terms and conditions as provided for in the offering materials of the Private Funds. The sale or disposition by NB LLC, its affiliates or their respective employees must also be consummated in accordance with internal policies and applicable law.

It is the Firm's policy to monitor and in some cases prohibit personal securities transactions for the Firm, its affiliates and their respective employees. The Conflicts Procedures contains employee trading policies and procedures that are closely monitored by the Legal and Compliance Department. Key aspects of the employee trading policies and procedures include:

- a) a requirement for securities accounts to be maintained at NB LLC or other approved entities;
- b) an employee price restitution policy;
- c) prohibitions against employee participation in certain IPOs;
- d) prohibitions against trading on the basis of material non-public information;
- e) pre-approval requirements for certain security transactions, such as private placement offerings;
- f) a minimum holding period of 30 days for most personal securities transactions, and

g) annually affirming in writing that (i) all reportable transactions occurring during the year were reported to the Firm; (ii) all reportable positions were disclosed; (iii) all newly opened securities accounts and/or private placements were disclosed; and (iv) that the employee has read, understood and complied with the Code of Ethics.

The price restitution policy attempts to address the potential conflict that could arise from employees owning the same securities as clients, or where the accounts of both enter the market at the same time. Subject to certain exclusions, employee trades that are executed on the same day and in the same security as a client's account are reviewed to ensure that the employee does not receive a better price than the client. In the event that the employee does receive a better price, the employee's price is "switched" to that of the client's and the cash difference in the execution price is disgorged from the employee account. Disgorged proceeds are often allocated to client accounts in the form of revised execution prices. In some instances, however, a revised execution price may, for operational reasons beyond NB LLC's control, not be feasible and the proceeds will either be remitted to client accounts or donated to charity.

As stated in the Conflicts Procedures, it is the policy of Neuberger Berman for its SEC-registered advisers to prohibit insiders, that is, the employees of such advisers and certain of their close relatives, from effecting transactions in anticipation of transactions in such securities by Client Accounts.

## **D. Other Conflicts of Interest**

### **1. *Material Non Public Information/Insider Trading***

The Firm has implemented policies and procedures (the "**MNPI Procedures**"), including certain information barriers within the Firm, that are reasonably designed to prevent the misuse by the Firm and its personnel of material information regarding issuers of securities that has not been publicly disseminated ("**material non-public information**"). The MNPI Procedures are designed to be in accordance with the requirements of the Advisers Act and other federal securities laws. In general, under the MNPI Procedures and applicable law, when the Firm is in possession of material non-public information related to a publicly-traded security or the issuer of such security, whether acquired unintentionally or otherwise, neither the Firm nor its personnel are permitted to render investment advice as to, or otherwise trade or recommend a trade in, the securities of such issuer until such time as the information that the Firm has is no longer deemed to be material non-public information.

In the ordinary course of operations, certain businesses within the Firm may seek access to material non-public information. For instance, the loan and distressed debt businesses within certain affiliates may utilize material non-public information in purchasing loans and other debt instruments and from time to time, certain affiliates' portfolio managers may be offered the opportunity on behalf of applicable clients to participate on a creditors committee, which participation may provide access to material non-public information.

The MNPI Procedures address the process by which material non-public information may be acquired intentionally by the Firm and the sharing of information between different businesses within the Firm. When considering whether to acquire or share material non-public information, the Firm will attempt to balance the interests of all clients, taking into consideration relevant factors, including, but not limited to, the extent of the prohibition on trading that may occur, the size of the Firm's existing position in the issuer, if any, and the value of the information as it relates to the investment decision-making process. The intentional acquisition of material non-public information may give rise to a potential conflict of interest since NB LLC may be prohibited from rendering investment advice to clients regarding the public securities of such issuer and thereby potentially limiting the universe of public securities that NB LLC may purchase or potentially limiting the ability of NB LLC to sell such securities. Similarly, where the Firm declines access to (or otherwise does not receive or share within the Firm) material non-public information regarding an issuer, NB LLC may base its investment decisions with respect to assets of such issuer solely on public information, thereby limiting the amount of information available to NB LLC in connection with such investment decisions. In determining whether or not to elect to receive material non-public information, the Firm will endeavor to act fairly to its clients as a whole.

## **2. *Gifts/Gratuities/Entertainment***

Firm employees, wherever located, are prohibited from providing business gifts or entertainment that are excessive or inappropriate or intended to inappropriately influence recipients.

Subject to applicable law, the Firm allows personnel to provide limited business gifts and entertainment to personnel/representatives of clients or prospective clients as detailed in more specific Firm policies and procedures. However, the Firm prohibits providing business gifts or entertainment that are excessive or inappropriate or intended to cause such personnel/representatives to act against the best interests of their employer, the client they represent or those to whom they owe a fiduciary duty.

In addition to the above prohibitions, the Firm imposes restrictions on providing gifts and entertainment to particular types of clients or client representatives, such as government officials at all levels and representatives of U.S. Labor Organizations. Furthermore, other public, as well as private, institutions may have their own internal rules regarding the acceptance of gifts or entertainment by their personnel and other representatives. Neuberger Berman personnel are reminded to be aware that institutions with whom they deal may have certain additional restrictions.

In addition to these requirements, which apply to all Firm personnel, different regions may have regulatory rules and requirements relating to business gifts and entertainment specific to their region. Separate Firm policies and procedures specify how personnel subject to this requirement are to comply with it.

Accepting gifts or entertainment from clients, prospective clients, employees or agents of clients, outside vendors, suppliers, consultants, and other persons or entities with whom the Firm does

business may also create actual or apparent conflicts of interest. Subject to applicable law, the Firm does not prohibit personnel from accepting all business-related gifts or entertainment. However, neither Firm personnel, immediate family members, nor other household members may accept any gift or entertainment that is significant in value or impairs, or appears to impair, employee ethics, loyalty to the Firm, or ability to exercise sound judgment. Furthermore, Firm personnel may not accept gifts or entertainment that are, or may be perceived as being, compensation from someone other than the Firm. Firm personnel may not solicit gifts or entertainment, and may not give any gifts or entertainment to anyone who solicits them.

### **3. *Political Contributions***

Due to the potential for conflicts of interest, the Firm has established policies and procedures relating to political contributions which are designed to comply with applicable federal, state and local law. All employees are required to seek preapproval before making any political contribution or volunteering for a campaign.

### **4. *Outside Business Activities***

Certain types of outside affiliations or other activities may pose a conflict of interest or regulatory concern to the Firm. Therefore, the Firm prohibits certain activities, and requires employees to disclose outside activities to the Firm in writing so that responsible personnel may assess the compatibility of the outside affiliation or activity with their role at the Firm. "Outside affiliations" include relationships in which Neuberger Berman personnel serve as an employee, director, officer, partner or trustee of a public or private organization or company other than the Firm (paid or unpaid), including joint ventures, portfolio investment companies, non-profit, charitable, civic or educational organizations. These relationships may or may not be related to employment with the Firm. Employees registered in the U.S. may also have to update their regulatory filings to reflect outside affiliations. Generally, Firm employees do not have to disclose affiliations which involve little or no personal responsibility or exposure on their part and have minimal potential for adversely affecting the Firm's image or creating conflicts of interest. Firm personnel are not required to disclose affiliations of family members unless they are aware that an immediate family member's affiliation with a company or organization may result in a conflict of interest between the employee and the Firm or the employee and a client of the Firm.

Firm personnel are generally prohibited from being employed by another company or from engaging in other activities that could interfere or conflict with their service at the Firm. Firm personnel are prohibited from being employed by, or serving on a board or in an advisory position with, any public company or with other firms in the financial services industry. Furthermore Firm personnel are prohibited from entering into independent non-Firm related business relationships with clients, vendors, or co-workers. Exceptions to these prohibitions may only be made in writing on a case-by-case basis by the Legal and Compliance Department.

Firm personnel may, under certain limited circumstances, serve as an executor, trustee, guardian or conservator, with prior approval from the Legal and Compliance Department, irrespective of whether such service is personal in nature. Brokerage accounts under control of the employee

as a result of their service as an executor, trustee, guardian or conservator must be disclosed in accordance with the Firm's Code of Ethics, even if the relationship is personal. The Firm generally permits employees to engage in philanthropic, charitable or other similar pursuits, subject to certain limitations and with prior approval from the Legal and Compliance Department.

## **5. *Outsourcing/Service Providers***

The Firm conducts appropriate due diligence on any outside vendor that provides products or services to the Firm and enters into an appropriate contract. The Firm's relationships with outside vendors are managed so that appropriate controls and oversight are in place to protect the Firm's interests, including safeguarding of private and confidential information regarding the Firm's clients and employees.

## **6. *Side by Side Management of Different Types of Accounts***

NB LLC and its personnel may have differing investment or pecuniary interests in different accounts managed by NB LLC, and its personnel may have differing compensatory interests with respect to different accounts. Similarly, NB LLC personnel who are dual employees with an Advisory Affiliate may have different interests with respect to accounts managed for NB LLC and accounts managed for the Advisory Affiliate. Certain NB LLC portfolio management personnel, who are dual employees of an Advisory Affiliate, manage the NB Funds. As such, the dually employed personnel manage both a mutual fund and regular funds under different Advisory Affiliates.

NB LLC faces a potential conflict of interest when (i) the actions taken on behalf of one account may impact other similar or different accounts (e.g., where accounts have the same or similar investment strategies or otherwise compete for investment opportunities, have potentially conflicting investment strategies or investments, or have differing ability to engage in short sales and economically similar transactions) and/or (ii) NB LLC and its personnel have differing interests in such accounts (e.g., where NB LLC or its related persons are exposed to different potential for gain or loss through differential ownership interests or compensation structures) because NB LLC may have an incentive to favor certain accounts over others that may be less profitable. Such conflicts may present particular concern when, for example, NB LLC places, or allocates, securities transactions that NB LLC believes could more likely result in favorable performance, engages in cross trades or executes potentially conflicting or competing investments.

To mitigate these conflicts, NB LLC's policies and procedures seek to ensure that investment decisions are made in accordance with the fiduciary duties owed to such accounts and without consideration of NB LLC's (or such personnel's) pecuniary, investment or other financial interests. NB LLC has policies and procedures designed to allocate investment opportunities fairly among Client Accounts.

In addition, certain side-by-side managed accounts or portfolios may acquire both long and short positions in securities of an issuer (i.e., "long/short" strategies). A short sale involves the sale of

a security that the acquirer does not own in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. To make delivery to the buyer, the acquirer must borrow the security, and the acquirer is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the acquirer. In contrast to taking a long position in a security, when a manager sells a security short, he/she is typically doing so with the expectation that the security will decline in value. Depending on a number of conditions, including, but not limited to, the security's liquidity and general economic conditions, shorting a security may also have the added consequence of adversely impacting its market price. As a result, managers who manage long/short products may have potential conflicts of interest were they to short a security in which they were also long for another client and/or in another product. NB LLC has adopted policies and procedures which would permit such transactions, under certain circumstances. For example, where sufficient liquidity exists in the market and where certain client's positions in a particular security have yet to achieve long-term tax treatment, but the manager is otherwise pre-disposed to shorting that security, the manager may be permitted to engage in such transaction.

Notwithstanding the above, the views and opinions of NB LLC, its portfolio managers and employees and those of its affiliates and research departments may differ from one another, as well as from their respective Chief Investment Officers and the Investment Strategy Group. As a result, products managed by NB LLC or its affiliates may hold securities or pursue strategies that reflect differing investment opinions or outlooks at the time of their acquisition or subsequent thereto.

Clients who receive brokerage, custody or other services from other broker dealers including but not limited to related persons of NB LLC may not benefit from some or all of these policies.

See Item 12.B regarding trade allocation and aggregation policies.



## **Item 12: Brokerage Practices**

### **A. Criteria for Selection of Broker-Dealers**

#### ***In General—Brokerage Selection***

In addition to being registered as an investment adviser, NB LLC is also a registered broker-dealer. As such, NB LLC and its associated persons, in their separate capacities as registered representatives, will be able to effect securities transactions for clients for which they will receive separate and customary compensation.

For the majority of Private Asset Management Accounts, NB LLC does not engage in such activities for separate commission compensation. For those Private Asset Management Accounts which have consented to the use of NB LLC as broker, NB LLC will charge an “all-inclusive” fee for brokerage and advisory services and will not charge a separate brokerage commission. When a client opens a Private Asset Management Account, NB LLC will seek the client's consent to effect brokerage transactions through NB LLC, consistent with the requirements of the federal securities laws and other applicable laws. A client may grant or revoke this consent at any time. Clients will be advised that they are not required to use NB LLC as broker for their account. Pursuant to the terms of the GPS Program, clients invested in GPS are required to use NB LLC as broker for their GPS Accounts. NB LLC will disclose to its clients its dual role as securities broker and investment adviser.

For Wrap Program Accounts, NB LLC may utilize the relevant Wrap Sponsor for brokerage, as use of the Wrap Sponsor may achieve best execution due to certain lower negotiated fees (i.e., brokerage commissions and execution costs on trades are often included in the all-inclusive fee paid by Wrap Program Clients to the Wrap Sponsor). NB LLC receives no additional compensation for such use. NB LLC will only direct such brokerage where it believes it can achieve best execution (although there can be no assurance that it can be obtained) taking into account any lower fees due to the Wrap Program. When NB LLC chooses to trade away from the Wrap Sponsors and execute trades through broker-dealers other than the Wrap Sponsors, the Wrap Program Clients may incur execution costs in addition to the wrap fees they pay to the Wrap Sponsors. Please refer to Item 5.C for a further description of additional execution costs that may be incurred by Wrap Program Clients. Wrap Program Clients should satisfy themselves that the Wrap Sponsors are able to provide best execution of transactions and consider whether or not the participation in a Wrap Program may or may not result in certain costs or disadvantages to the client as a result of possible less favorable executions.

NB LLC may enter into agreements with certain Wrap Sponsors whereby NB LLC will only provide its model portfolio to the program sponsor. Except in certain cases where NB LLC retains discretion over the execution of portfolio transactions based on the model portfolio, the Wrap Sponsor would be responsible for executing portfolio transactions for the accounts of the Wrap Program Clients.

NB LLC occasionally acts as broker for securities transactions for its Institutional Accounts and Private Funds. Institutional Accounts will not pay any brokerage commissions for trades in fixed income securities effected through NB LLC and will pay no more than 4 cents per share for transactions in US equities.

Clients who elect to trade on margin will enter into a separate agreement directly with the clearing agent. Clients should refer to the agreement with their clearing agent for all terms and conditions of the margin arrangement, including all related fees and expenses.

While NB LLC and its portfolio managers endeavor at all times to put the interest of NB LLC's advisory clients first as part of NB LLC's fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making advisory/investment recommendations. In all cases in which transactions are directed to NB LLC, or to any other broker, NB LLC and its portfolio managers will determine in good faith that the commissions charged in connection with those trades are reasonable in relation to the value of the brokerage, research and other services provided by NB LLC, viewed in terms of either the specific transaction or NB LLC's overall responsibilities to its clients. Nevertheless, NB LLC's clients may be able to obtain more favorable brokerage commission rates elsewhere.

NB LLC has no obligation to seek the lowest commission cost for commission-paying clients. Applicable commission cost for NB LLC's brokerage services are normally set in accordance with NB LLC's posted rates as provided for in the investment advisory agreements with clients. Unless otherwise agreed with the client, NB LLC's brokerage rates can only be increased if NB LLC provides at least thirty days prior written notice to the increase and the client does not object to such increase. In some instances, with or without notice, NB LLC may elect to temporarily reduce its commissions for the client. In such cases, NB LLC shall not be required to declare the reduction as temporary and shall be entitled to charge the original commission rate on some or all other transactions a such time as it sees fit.

With respect to those clients that do not consent to the use of NB LLC as broker for the account, NB LLC selects brokers for transactions in the account based on a number of criteria. NB LLC seeks to obtain the best results for the client, taking into consideration such relevant factors as price, the broker's execution ability, facilities, reliability and financial responsibility and ability to help effect the transaction by contributing to the determination of such important elements as timing and order size. When NB LLC is not used as the broker, NB LLC will also consider the research services provided by such broker to NB LLC (see "research and soft dollars" below). Commission rates, being component of purchase/sale price are also considered as a factor. NB LLC does not obligate itself to seek the lowest commission cost except to the extent that it contributes to the overall goal of obtaining the best results for clients. When unaffiliated brokers are used, in accordance with client directions, such brokers may be permitted to charge commissions in excess of that which another broker might have charged for effecting the same transaction in recognition of the value of brokerage, research or other services provided by that broker to that client (see directed brokerage below).

Employees with responsibilities for supervision of the account may receive a portion of the commissions (except for accounts in the large funds group) paid to NB LLC by the account.

When entering orders for different classes of Clients, e.g., Private Asset Management Accounts, Institutional Accounts, Wrap Program Clients, or providing the model portfolio to the Wrap Sponsors, NB LLC rotates its order entry for these different classes, in what it deems to be a fair and orderly manner. As a consequence of this rotation, different classes of Clients are likely to receive different execution prices and consequently will experience different rates of return. See Section B. below on trade allocation procedures.

### ***Research and Other Soft Dollar Benefits***

*Use of Soft Dollars:* NB LLC may consider research and other services in making brokerage decisions and, as it deems appropriate, may use a portion of the commissions generated when executing client transactions (commonly referred to as “soft dollars”) to acquire research and brokerage services (“**soft dollar benefits**”) in a manner consistent with the “safe harbor” provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. Under the safe harbor, as it has been interpreted by the SEC, NB LLC may use soft dollars to pay for soft dollar benefits, even where such benefits may also be available for cash, to the extent appropriate and permitted by law, when such benefits assist NB LLC in meeting clients’ investment objectives or in managing Client Accounts.

The use of soft dollars to receive research and services benefits NB LLC by allowing NB LLC, at no cost to it, to (i) supplement and enhance its own research and analysis activities, (ii) receive the views and information of individuals and research staff of other securities firms, and (iii) gain access to persons having special expertise on certain companies, industries, areas of the economy and market factors. Subject to NB LLC’s policies and procedures, NB LLC takes into account the value of permissible soft dollar benefits provided by a broker-dealer, as long as such consideration is not inconsistent with the objective of seeking best price and execution for client transactions, and clients may pay a higher commission to a broker-dealer in recognition of such soft dollar benefits than might otherwise be obtained in the absence of such considerations.

When appropriate under its discretionary authority and consistent with the duty to seek best execution, NB LLC may execute brokerage transactions for Client Accounts through broker-dealers who provide NB LLC with useful soft dollar benefits and may pay to those broker-dealers an amount or rate of commission that is higher than might have been paid absent the receipt of soft dollar benefits. NB LLC may select broker-dealers based on their assessment of each broker-dealer’s ability to provide quality executions and their belief that the research, information and other services provided by such broker-dealer may benefit Client Accounts. Often, it is not possible to place a dollar value on the quality executions or on the soft dollar benefits NB LLC receives from broker-dealers effecting transactions in portfolio securities. Accordingly, broker-dealers selected by NB LLC may be paid commissions for effecting portfolio transactions for Client Accounts in excess of amounts other broker-dealers would have charged for effecting similar transactions, if NB LLC determines in good faith that such amounts are reasonable in relation to the value of the soft dollar benefits provided by those broker-dealers, viewed either in terms of a particular transaction or NB LLC’s overall duty to discretionary accounts.

NB LLC may use “step outs” or “commission sharing arrangements” to obtain soft dollar benefits. A step out occurs when NB LLC directs a broker-dealer, who executes a trade, to allocate (or “step out”) a portion of the trade to another broker-dealer for clearance and settlement. NB LLC primarily uses step-outs for block trades and believes that this practice assists in seeking best execution.

In commission sharing arrangements, NB LLC may effect transactions, subject to best execution, through a broker and request that the broker allocate a portion of the commission or commission credits to a segregated “research pool” maintained by the broker. NB LLC may then direct such broker to pay for eligible products and services. Participating in commission sharing arrangements may enable NB LLC to (1) strengthen its key brokerage relationships; (2) consolidate payments for eligible products and services; and (3) continue to receive a variety of high quality eligible products and services while facilitating best execution in the trading process.

*Allocation of Soft Dollar Research:* Research obtained with soft dollars will not always be utilized by NB LLC for the specific Client Account or Accounts that generated the soft dollars. It should be noted that the value of many soft dollar benefits cannot be measured precisely, and commissions paid for such services certainly cannot always be allocated to clients in direct proportion to the value of the services to each client. Because, as discussed below, NB LLC may aggregate or “bunch” client transactions, brokerage commissions attributable to one or more Client Accounts may be allocated to brokers who provide statistical data and other research used by NB LLC in managing the Client Accounts.

A factor in the allocation of brokerage is NB LLC’s evaluation of the quality of the brokers’ research, meaning the extent to which such brokerage benefits some or all accounts. For purposes of evaluating such research, points are awarded in several categories and the allocation to brokerage business is made based upon the number of points each broker receives. Research is often received on an unrequested basis from brokers who are not awarded points. Often research received from others is not used. Brokers who are not being awarded points for research are nonetheless sometimes used in the interest of securing best execution.

Commissions paid by one Client Account may, in effect, subsidize services that benefited another Client Account. However, any distortions should balance out over time as NB LLC’s various sources of research and brokerage services enable NB LLC to make better investment decisions and execute more effective trades. Therefore, NB LLC does not usually attempt to allocate the relative costs or benefits of research or brokerage services among Client Accounts. NB LLC believes that, in the aggregate, the services it receives benefit clients and assist NB LLC in fulfilling its overall fiduciary duty to clients.

NB LLC may receive directives from certain clients to make a “best effort” attempt to transact business with a client-designated broker in consideration of services received solely by that client from the broker. In such instances, only the particular client’s own soft dollars are used.

Unless contrary written instructions are provided by the client, primary consideration is still given to seeking best execution of such transactions.

*Types of Soft-Dollar Products and Services:* Research services provided by a broker-dealer can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts and traders) or third party (created by a third party but provided by broker-dealer). NB LLC may use soft dollars to acquire either type of research and any permissible brokerage services. NB LLC has received the following soft-dollar products and services during the last fiscal year: current and historical data concerning particular companies, industries and the financial economy as a whole, as well as information and analysis thereof, technical and statistical studies and data dealing with various investment opportunities, risks and trends, and analysis involving special situations.

*Directed Brokerage for Soft Dollar Services:* In limited circumstances, NB LLC may enter into an agreement or understanding with a broker-dealer that would obligate NB LLC to exclusively direct a specific amount of brokerage transactions or commissions in return for such research (or brokerage) services. In some cases, NB LLC may enter into a commission sharing arrangement pursuant to which soft dollars generated are held in an account for the benefit of NB LLC, and credits from that account may be used to acquire soft dollar items. NB LLC also may, but is not obligated to, pay cash for soft dollar items.

### ***Brokerage for Client Referrals***

NB LLC does not enter into agreements with, or make commitments to, any broker-dealer that would bind NB LLC to compensate that broker-dealer, directly or indirectly, for client referrals (or sale of fund interests) through the placement of brokerage transactions.

### ***Directed Brokerage***

Certain clients of NB LLC may elect to use a specific broker for securities transactions in their account. Upon such election, NB LLC is required to direct some or all of the trades for such account to such other broker dealer. NB LLC does not have any role in, and does not have any responsibility for, client's selection of this broker-dealer. NB LLC does not have any control over the broker's services, including, but not limited to commissions charged by such broker, and the nature and quality of executions provided by such broker. As such, NB LLC cannot ensure in any given transaction for these accounts that it will be able to obtain the best price. For example, NB LLC may elect to purchase a security on behalf of one of its Separate Accounts (where it acts as broker) in advance of purchasing the identical security for one of these directed brokerage accounts. The purchase of the security for such Separate Account could have an impact on the security price. This would result in the directed brokerage account paying more than it otherwise would have had the account's order been aggregated with the Separate Account.

A client's selection of another broker may result in the client not receiving certain benefits afforded NB LLC's clients for whom NB LLC does provide brokerage. These benefits include, but are not limited to, potential efficiencies in execution; clearance and settlement resulting from, among other things, the bunching of orders for various clients (see Item 12.B below).

If, in NB LLC's best judgment, the use of another broker would not be consistent with NB LLC's fiduciary obligations to obtain best price and best execution or where NB LLC is not confident of the selected broker's execution capability for that particular transaction, then NB LLC generally has no obligation to use such broker. Therefore, on any such transactions in which NB LLC is unable to allocate the brokerage to the broker NB LLC will incur no liability. NB LLC may use step outs for client recapture purposes in order to mitigate dispersion and achieve best execution.

### ***Trade Errors***

NB LLC has adopted policies and procedures for correcting trade errors. Errors can result from a variety of situations involving portfolio management (*e.g.*, inadvertent violation of investment restrictions) and trading (*e.g.*, miscommunication of information, such as wrong number of shares, wrong price, wrong account, calling the transaction a buy rather than a sell and vice versa, etc.). The policies and procedures require that all errors affecting a client's account be resolved promptly and fairly. Under certain circumstances, our policy provides that trades may, where appropriate, be cancelled or modified prior to settlement. The intent of the policy is to restore a client account to the appropriate financial position considering all relevant circumstances surrounding the error.

## **B. Aggregation of Orders/Allocation of Trades**

### ***Aggregation:***

There may be occasions when NB LLC decides to purchase or sell the same security for several clients at approximately the same time (including Separate Accounts and certain fee-paying employee accounts, the Private Funds and any Sub-Advised Account). NB LLC may (but is not obligated to) combine or "bunch" such orders in order to secure certain efficiencies and results with respect to execution, clearance and settlement of orders.

Similarly NB LLC may elect to combine client orders with orders entered for the same security for clients of its Advisory Affiliates ("**Affiliate Accounts**"). The portfolio manager is not obligated to include any Client Account in an aggregated trade. Transactions for any Client Account may not be aggregated for execution if the practice is prohibited or inconsistent with that client's investment management agreement.

While NB LLC may effect trades in this manner to reduce the overall level of brokerage commissions paid or otherwise enhance the proceeds or other benefits of the trade for its clients, NB LLC may direct transactions to brokers based on both the broker's ability to provide high quality execution and the nature and quality of research services, if any, such brokers provide to NB LLC. As a result, NB LLC clients may not always pay the lowest available commission rates where their trades are effected in this manner, so long as NB LLC believes that they are

nonetheless obtaining best price and execution under the circumstances and considering the soft dollar benefits provided.

NB LLC will aggregate and allocate orders in a manner designed to ensure that no particular client or account is favored and that participating Client Accounts are treated in a fair and equitable manner over time. NB LLC may not allocate trades in such a way that Affiliated Accounts receive more favorable treatment than Client Accounts. Similarly, NB LLC may not allocate profitable trades at each day's end so as to disproportionately favor certain clients without appropriate disclosure.

When a bunched order is completely filled, each participating account will generally participate at the average price paid or received on that day for the bunched order, and share in any associated transaction costs, based upon the initial amount requested for the account (subject to certain size- or cost-related exceptions).

NB LLC will receive no additional compensation or remuneration of any kind as a result of the aggregation of client trades, however, to the limited extent it is applicable, commissions will be charged at a rate as though the trades had not been aggregated.

NB LLC will act in a manner it believes is equitable for its clients as a group when bunching and price averaging.

To secure best execution and equitable allocating among the participating accounts in bunched transactions in equity securities, NB LLC may effect the execution in the marketplace for the entire block, although the participating accounts may include equity accounts not using NB LLC as a broker or accounts directing the brokerage in that transaction to other brokers. For the portions of the block for clients for which NB LLC is not acting as broker in that transaction NB LLC will then step out of the transaction leaving the brokers for such portions of the block with the delivery and accounting functions and all other aspects involved in clearing the transaction for such accounts. NB LLC receives no part of the commission charged for the portions of the block purchased or sold for the accounts using such other brokers.

***Allocation of Investment Opportunities:***

NB LLC serves as investment adviser for a number of clients and may face conflicts of interest when allocating investment opportunities among its various clients. For example: (i) NB LLC receives different management and/or performance fees from different clients; and (ii) NB LLC and its affiliates, owners, officers and employees may invest substantial amounts of their own capital in certain collective vehicles (including the Private Funds) in which clients also invest. The majority of NB LLC's clients pursue specific investment strategies, many of which are similar. NB LLC expects that, over long periods of time, most clients pursuing similar investment strategies may experience similar, but not identical, investment performance. Many factors affect investment performance, including but not limited to: (i) the timing of cash deposits and withdrawals to and from an account; (ii) the fact that NB LLC may not purchase or sell a given security on behalf of all clients pursuing similar strategies; (iii) price and timing differences when buying or selling securities; and (iv) the clients' own different investment restrictions. NB

LLC's trading policies are designed to minimize possible conflicts of interest in trading for its clients.

NB LLC considers many factors when allocating securities among clients, including but not limited to the client's investment objectives, applicable restrictions, the type of investment, the number of shares purchased or sold, the size of the account, and the amount of available cash or the size of an existing position in an account. Clients are not assured of participating equally or at all in particular investment allocations. The nature of a client's investment style may exclude it from participating in many investment opportunities, even if the client is not strictly precluded from participation based on written investment restrictions.

NB LLC attempts to allocate limited investment opportunities, including IPOs, among clients in a manner that is fair and equitable. NB LLC follows detailed procedures allocating shares in equity IPOs and in secondary offerings. The factors taken into account in allocating shares of IPOs include, but are not limited to, investment guidelines or restrictions on the account.

NB LLC manages distinct international equity strategies that purchase the securities of non-U.S. issuers in two types of accounts: those that are permitted to purchase only ADRs, and those that may purchase securities traded in local markets as well as ADRs. In order to reduce the probability of marketplace disruptions and at the discretion of each portfolio manager, international equity accounts that are permitted to purchase securities in the local market or ADRs may receive priority over those accounts that are permitted only to purchase ADRs. We believe that this trading methodology should result in better overall execution quality for all clients, but cannot assure this outcome. As a result of receiving priority, clients eligible to purchase both local securities and ADRs may achieve superior performance compared to those clients eligible to purchase only ADRs.



## **Item 13: Review of Accounts**

### **A. Periodic Reviews**

NB LLC's portfolio managers review Client Accounts on a periodic basis, consistent with an account's needs. Certain accounts may require daily review, while others may require less frequent review. In reviewing accounts, portfolio managers take into consideration both client objectives and goals, and the manager's investment thesis for the total portfolio, as well as for particular securities.

The Legal and Compliance Department reviews transactions for possible conflicts and adherence to the Code of Ethics and regulatory obligations, on a daily basis. Reviews are in the form of trade data and exception reports and are generally conducted by one of several compliance analysts. Topics covered in the review include, but are not limited to, front running and trading on the basis of material, non-public information. In addition, members of NB LLC's Asset Management Business Control Department review, among other things, new account forms for suitability and account update forms including changes to investment objectives. The Asset Management Guideline Oversight department serves as an independent supervisory group responsible for ensuring that portfolios are managed in accordance with client investment guidelines, and, among other things, reviews daily option trading.

The number of Client Accounts supervised by different portfolio managers varies depending upon a particular portfolio manager's workload and can change from time to time. A portfolio manager may be responsible for managing both Private Funds and institutional separate account clients of an Advisory Affiliate. The process relating to the review of the non-Fund accounts would be governed by the policies of the affiliated advisory firm.

A complete set of accounting and performance reports is compiled internally on a monthly basis and is available to Clients upon request.

With respect to FPA Clients, none of NB LLC or its affiliates are under any obligation to review or monitor a FPA Client's situation on an ongoing basis, or update any advice given to a client with the original plan. As owners of Affiliated Funds, FPA Clients will receive or have access to communications with respect to those funds. These communications may include transaction confirmations, quarterly account statements, prospectus updates, annual and semi-annual reports, and proxy statements relating to their fund holdings (as appropriate), as well as general NB LLC newsletters, emails and other communications.

## **B. Non-Periodic Reviews**

Other than the periodic review of accounts described above, certain account or market anomalies may trigger non-periodic reviews of Client Accounts.

## **C. Client Reports**

**Separate Accounts**—NB LLC will provide periodic reports to its Separate Account clients regarding the status of their accounts based on the needs of the individual client. Such reports may vary among client accounts based on size and type of account or client. Clients will also receive reports from the qualified custodians (chosen by such clients). When required by the client, confirmations are sent to such client on the next business day following the execution of a transaction in the client's account. Statements are also sent each month in which there is activity in the account. In addition to the reports described above, clients may periodically meet with their NB LLC representative.

NB LLC account statements may reflect securities positions that are designated as “unsupervised holdings.” NB LLC does not take investment advisory responsibility and shall not provide investment advisory services with regard to any such unsupervised holdings. Any decisions concerning the retention, disposition, or other change with respect to these assets, shall remain solely with the client.

**Private Funds**—Private Funds receive such reports as are permitted by terms described in the Private Fund's Offering Documents (or as otherwise negotiated with NB LLC). To comply with the Custody Rule provisions of the Advisers Act, where NB LLC is deemed to have custody of an affiliated Private Fund's assets, Private Fund audited financial statements are prepared in accordance with Generally Accepted Accounting Principles (or “GAAP”) and distributed to investors within 120 days after the end of the Private Fund's fiscal year or as otherwise permitted under applicable provisions of the Advisers Act.

**Wrap Program Accounts**—Wrap Program Clients receive such reports as may be provided by the Wrap Sponsors. Wrap Program Clients should refer to each Wrap Program's disclosure document for additional information about the reports provided to program participants.

## **Item 14: Client Referrals and Other Compensation**

### **A. Compensation by Non-Clients**

Not applicable.

### **B. Compensation for Client Referrals**

From time to time, in accordance with applicable law, NB LLC may enter into referral arrangements with third parties and other financial intermediaries, including participation in third-party programs such as Fidelity Wealth Advisor Solutions<sup>SM</sup>, for the purpose of introducing new investment advisory clients to NB LLC. Under these referral arrangements all referral parties are independent contractors and the compensation paid to such parties generally represents a percentage of the management fee and incentive fees (if any) paid by the client to NB LLC. Clients may pay a higher aggregate fee than they would otherwise pay due to the solicitor's involvement in the introduction. In addition to referrals from external sources, Firm employees may be eligible, subject to applicable law, to earn an account referral commission for referring a potential client to NB LLC that engages NB LLC to provide investment management services. Referral arrangements may give rise to potential conflicts of interests given that the referring party has a financial incentive to introduce new investment advisory clients to NB LLC. NB LLC's participation in these referral arrangements does not diminish its fiduciary obligations to its clients.

#### ***Consultants***

NB LLC sponsors educational events where its representatives meet with institutional consultants and/or their clients. Typically, NB LLC may charge a participation fee or pay for the expenses of the participants. NB LLC may also participate in educational programs sponsored by consultants. NB LLC may pay a fee to participate in such programs. Both of these types of events provide NB LLC with an opportunity to meet with consultants and/or their clients. Any fees paid by NB LLC are from its own resources, which include the management fees received from its clients. Clients should confer with their consultant regarding the details of the payments their consultant may receive from NB LLC. In addition, affiliates of NB LLC actively seek to educate broker-dealers and other financial intermediaries in connection with the firm's registered fund business. NB LLC may benefit from such activity as it subadvises NB Registered Funds.

## Item 15: Custody

### Separate Accounts

Neither NB LLC nor its affiliates will maintain physical possession of the funds or securities that a client maintains in a Separate Account. The assets in a Separate Account typically are deposited with a qualified custodian. Institutional Accounts typically select their own custodian. Under the investment management agreement, NB LLC generally invoices the Institutional Account client and the client directs its custodian to pay NB LLC. Private Asset Management Accounts to which NB LLC also serves as broker-dealer are typically introduced by NB LLC to its clearing firm, J.P. Morgan Clearing Corp., which serves as the client's custodian. In limited circumstances, NB LLC will have custody due to certain control it may have over a client's custodial account with a broker-dealer, bank or other qualified custodian ("**Qualified Custodian**"). In those instances, the Qualified Custodian will send account statements, no less than quarterly, directly to the client. Clients should carefully review those statements and compare them to any reports received from NB LLC.

### Private Funds

Neither NB LLC nor its affiliates will maintain physical possession of the funds or securities of any Private Fund. Custody of the assets of a Private Fund will be maintained with a Qualified Custodian selected by NB LLC, an affiliate or the third-party adviser to such Private Funds (as applicable), in its exclusive discretion, which selection may change from time to time generally without the consent of investors in the Private Fund.

Although NB LLC or its affiliates will not have physical possession or custody of any Private Fund assets, under the Custody Rule, an adviser has "constructive" custody if, among other things, it has the authority to possess client assets by withdrawing funds on a client's behalf. With respect to affiliated Private Funds, an affiliate of NB LLC, by virtue of acting as general partner or managing member of such fund, has the authority to withdraw funds or securities from the Private Fund. Accordingly, NB LLC is deemed to have "constructive" custody over the assets in an affiliated Private Fund.

In order to comply with the Custody Rule, these affiliated Private Funds undergo an annual audit performed by a PCAOB-registered independent accountant. In addition, the audited financial statements, prepared in accordance with GAAP are distributed to all investors within 120 days of the end of the fund's fiscal year for single manager funds.

As described in Item 13.C above, the Qualified Custodian will provide Private Fund investors with performance reports and account statements.

### **Wrap Program Accounts**

NB LLC does not maintain possession or custody of the funds or securities that a Wrap Program Client transfers to a Wrap Program. The assets in a Wrap Program Client's Account are typically custodied with the Wrap Sponsor or a Qualified Custodian selected by the Wrap Sponsor.

NB LLC's services do not include participation in the Wrap Sponsor's selection of the Qualified Custodian, the structuring of custody arrangements or supervision of the Qualified Custodian. NB LLC assumes no liability with respect to the acts, omissions or other conduct of the Qualified Custodian of the Wrap Sponsor. If the Qualified Custodian invests otherwise uninvested cash in a Wrap Program Client's custodial account, NB LLC does not participate in such investment decision and is not liable with regard to such investments.

## **Item 16: Investment Discretion**

**Discretionary**—Unless a client otherwise instructs, NB LLC has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, the amount of securities to be bought or sold, the broker dealer(s) to be used and commission rates paid. NB LLC's discretionary authority is derived from an express grant of authority under each Separate Account's discretionary investment advisory agreement with NB LLC, each sub-advisory agreement for Sub-Advised Accounts and contractual arrangements with the Private Funds.

Purchases and sales must be suitable for the particular client and limitations may be imposed as a result of instructions from the client through investment guidelines or other writings. Clients may limit NB LLC's authority by prohibiting or by limiting the purchasing of certain securities or industry groups. In addition, clients may further limit NB LLC's authority by requiring that all or a portion of client's transactions be executed through client's designated broker/dealer.

Limitations may also be imposed when such purchase, when aggregated with positions in such security held by NB LLC for itself, insider and other clients would exceed applicable law or NB LLC's self-imposed rules with regard to maximum size of positions in a security.

Pursuant to the Firm's Procedures on Material Non-Public Information, when the Firm is in possession of material non-public information related to a publicly-traded security or the issuer of such security, whether acquired unintentionally or otherwise, in general, neither the Firm nor its personnel are permitted to render investment advice as to, or otherwise trade or recommend a trade in, the securities of such issuer until such time as the information that the Firm has is no longer deemed to be material non-public information. As such, there may be circumstances which will prevent the purchase or sale of securities for Client Accounts for a period of time. See Item 11.D.1.

**Wrap Account**—Please refer to Item 4.B for a discussion of NB LLC's discretionary authority for wrap accounts.

**Non-Discretionary**—From time to time existing Separate Account clients may direct NB LLC to purchase or sell securities on their behalf. In each such case, NB LLC will not assume investment advisory responsibility for such transactions. The client is the final decision maker on all buy, sell and hold decisions with respect to these transactions. Further, NB LLC shall not provide investment advisory services with regard to such holdings.

**Financial Planning Analysis**—With respect to NB LLC's FP Analyses, NB LLC provides a point-in-time consultation and does not exercise discretion over client assets.

## **Item 17: Voting Client Securities**

NB LLC generally has voting power with respect to securities in its Separate Accounts. NB LLC has adopted written Proxy Voting Policies and Procedures (the “**Proxy Voting Policy**”) which are designed to reasonably ensure that it votes proxies prudently and in the best interest of its Separate Account clients.

The Proxy Voting Policy provides for the process by which proxy voting decisions are made, handling of material conflicts of interest, disclosing the Proxy Voting Policy to Clients, maintaining appropriate books and records relating to proxies, and proxy voting guidelines for common proxy proposals.

NB LLC generally votes proxies with a view to enhancing the value of the shares of stock held in the Separate Accounts. The financial interest of its clients is the primary consideration in determining how proxies should be voted. As a general rule, NB LLC will vote all proxies relating to a particular proposal the same way for all Separate Accounts holding the security in accordance with the proxy voting guidelines set forth in the Proxy Voting Policy, unless a client specifically instructs NB LLC in writing to vote such securities otherwise.

The Neuberger Berman Proxy Voting Committee is responsible for developing, authorizing, implementing and updating the Proxy Voting Policy, overseeing the proxy voting process and engaging and overseeing any independent third party vendors as voting delegate to review, monitor and/or vote proxies. In order to apply the Proxy Voting Policy in a timely and consistent manner, NB LLC utilizes Glass Lewis & Co., LLC (“**Glass Lewis**”) to vote proxies in accordance with NB LLC’s voting guidelines.

For Non-Socially Responsive clients, NB LLC's Proxy Voting Policy guidelines generally adopt the voting recommendations of Glass Lewis. For Socially Responsive clients, NB LLC has adopted Socially Responsive voting guidelines. In the event the Socially Responsive voting guidelines do not address how a proxy should be voted, the proxy will be voted in accordance with the Glass Lewis recommendations. NB LLC retains final authority and fiduciary responsibility for proxy voting.

With respect to FPA Clients, NB LLC will not vote or exercise similar rights for client securities. The exercise of all voting rights associated with any security or other property held in the portfolio shall be the responsibility of the client. NB LLC will not advise or act for the client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the portfolio or the issuers of those securities. Proxies will be delivered to the clients by the issuer of the security, its agent or the custodian.

### **Conflicts:**

NB LLC is sensitive to conflicts of interest that may arise in the proxy voting process. It is committed to resolving all conflicts in its clients’ best interest and will generally vote pursuant to

the Proxy Voting Policy guidelines when conflicts of interest arise. When there are proxy voting proposals, however, that give rise to conflicts of interest that are not addressed by the Proxy Voting Policy, the Proxy Voting Committee will determine the approach to be taken to address the conflict.

All NB LLC clients receive a summary of NB LLC's Proxy Voting Policy and are provided with instructions on how to obtain a copy of NB LLC's Proxy Voting Policy and information about how NB LLC voted proxies on their behalf. Clients may obtain a copy of the Proxy Voting Policy or obtain information about how NB LLC voted their specific proxies by contacting their Client Service Representative.

**Class Action Lawsuits:**

From time to time a security held in a client's account may become the subject of a class action lawsuit. In such cases NB LLC may receive notice of the class action pertaining to the security and will forward the notice to the client. Unless otherwise agreed with the client, NB LLC has no additional responsibilities with regard to the class action process.



## **Item 18: Financial Information**

### **A. Prepayment of Fees (Six or more months in advance)**

With respect to Separate Accounts, NB LLC may require the prepayment of more than \$500 in fees per client. However, this prepayment will generally be for 3 months or less in advance.

### **B. Impairment of Contractual Commitments**

NB LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.

### **C. Bankruptcy Petitions**

NB LLC has not been the subject of a bankruptcy proceeding.

Neuberger Berman LLC  
605 Third Avenue New York, NY 10158 (212) 476-9000

**FORM ADV PART 2B BROCHURE SUPPLEMENT  
FOR WRAP FEE PROGRAMS**

**November 24, 2015**

**This Form ADV Part 2B for Wrap Fee Programs, also called the “Brochure Supplement,” provides information about each supervised person providing services on behalf of Neuberger Berman LLC (“NB”) who makes discretionary investment management decisions or non-discretionary securities recommendations with respect to investment strategies (each, a “Wrap Strategy”) offered by third party broker-dealers or other financial intermediaries (each, a “Wrap Sponsor Firm”) to you and their other wrap fee program clients.**

In general, each Wrap Strategy is managed by a portfolio management team made up of one or more supervised persons. Because many Wrap Sponsor Firms offer multiple Wrap Strategies in their programs, this Brochure Supplement includes information about all Wrap Strategies offered by NB and the portfolio management teams responsible for them. Your Wrap Sponsor Firm may not offer all NB Wrap Strategies in its programs. In some cases, a portfolio management team described in this Brochure Supplement may include supervised persons who, while not directly involved in managing Wrap Strategies, are responsible for managing the same strategies for other NB clients in other business lines.

To help you locate the Wrap Strategy in which your assets are invested, or the portfolio managers responsible for them (referred to as “supervised persons” in this Brochure Supplement), this Brochure Supplement contains two Tables of Contents. The *Table of Contents—Equity Wrap Strategies*, which is located on Page ii to this Brochure Supplement, lists all of NB’s Wrap Strategies alphabetically, along with the names of the portfolio managers responsible for them. In addition, the *Table of Contents—Equity Wrap Strategy Portfolio Managers*, which is located on Page iii to this Brochure Supplement, lists the individual portfolio managers responsible for the Wrap Strategies alphabetically and identifies the Wrap Strategies that they manage. Accordingly, you may locate information about your investment by looking in the applicable Table of Contents under the name of either the Wrap Strategy or the name of an individual portfolio manager.

The information in this Brochure Supplement supplements the NB ADV Part 2A Brochure. You should have received a copy of that Brochure. You may also obtain it online at [www.nb.com/adv\\_part\\_2A\\_nblc](http://www.nb.com/adv_part_2A_nblc). Please contact us at (212) 476-9000 if you did not receive the NB ADV Part 2A Brochure or if you have any questions about the contents of this supplement. Please note that you may receive more than one Brochure Supplement.

For the information about each supervised person provided in this Brochure Supplement:

“**Educational background**” refers to the supervised person’s post-high school formal education.

“**Disciplinary information**” refers to legal or disciplinary events that may be material to your evaluation of the supervised person, such as civil lawsuits, proceedings before a government or self-regulatory agency relating to investment activity, or criminal proceedings.

“**Other business activities**” refers to activities where the supervised person is actively engaged in any investment-related business or other occupation other than providing advisory services on behalf of NB.

“**Additional compensation**” refers to an economic benefit received from someone who is not a client by a supervised person for providing advisory services other than his or her regular salary and regular bonus from NB or its affiliates (collectively, “Neuberger Berman”).

“**Supervisor**” refers to the person who supervises the supervised person’s investment activities on behalf of the firm.

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**EQUITY WRAP STRATEGIES**

**ALL CAP CORE  
SELECT EQUITIES**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>James Gartland</b> <i>Managing Director</i>
<b>Year of Birth</b>	1979
<b>Educational Background</b>	Loyola College, BA Fordham University, MA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC (“NB”), Portfolio Manager  James Gartland is also a Managing Director at Neuberger Berman Investment Advisers LLC, an affiliate of NB.

**Disciplinary Information**

None

**Other Business Activities**

James Gartland is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with a client’s investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of James Gartland and monitoring the investment advice that he provides to the clients of NB. James Gartland is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. James Gartland’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**ALL CAP CORE  
SELECT EQUITIES**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Michael J. Kaminsky</b> <b><i>Managing Director</i></b>
<b>Year of Birth</b>	1967
<b>Educational Background</b>	Emory University, BA Yeshiva University, JD Columbia University, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC (“NB”), Portfolio Manager

Michael J. Kaminsky is also a Managing Director at Neuberger Berman Investment Advisers LLC and a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

**Disciplinary Information**

None

**Other Business Activities**

Michael J. Kaminsky is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Michael J. Kaminsky provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with a client’s investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Michael J. Kaminsky and monitoring the investment advice that he provides to the clients of NB. Michael J. Kaminsky is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Michael J. Kaminsky’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**ALL CAP CORE  
SELECT EQUITIES**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Richard M. Werman</b> <i>Managing Director</i>
<b>Year of Birth</b>	1963
<b>Educational Background</b>	Ithaca College, BA Fordham University, MBA
<b>Business Experience (last five years only)</b>	2010-Present    Neuberger Berman LLC (“NB”), Portfolio Manager

Richard M. Werman is also a Managing Director at Neuberger Berman Investment Advisers LLC and a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

**Disciplinary Information**

None

**Other Business Activities**

Richard M. Werman is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Richard M. Werman provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with a client’s investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Richard M. Werman and monitoring the investment advice that he provides to the clients of NB. Richard M. Werman is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Richard M. Werman’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**BOLTON LARGE CAP CORE  
Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>James Baker, CFA</b> <i>Managing Director</i>
<b>Year of Birth</b>	1957
<b>Educational Background</b>	Yale University, BA Harvard University, JD
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC (“NB”), Portfolio Manager
<b>Professional Designations</b>	James Baker is also a Managing Director at Neuberger Berman Investment Advisers LLC, an affiliate of NB.

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

**Disciplinary Information**

None

**Other Business Activities**

James Baker is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client’s investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of James Baker and monitoring the investment advice that he provides to the clients of NB. James Baker is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. James Baker’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable



**EQUITY WRAP STRATEGIES**

**BOLTON LARGE CAP CORE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>John D. DeStefano</b> <i>Managing Director</i>
<b>Year of Birth</b>	1962
<b>Educational Background</b>	New York Institute of Technology, BS Long Island University, CW Post MS
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager

**Disciplinary Information** None

**Other Business Activities** John D. DeStefano is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client’s investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of John D. DeStefano and monitoring the investment advice that he provides to the clients of NB. John D. DeStefano is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. John D. DeStefano’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable

**EQUITY WRAP STRATEGIES**

**BOLTON LARGE CAP CORE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Darren Fogel</b> <i>Managing Director</i>
<b>Year of Birth</b>	1971
<b>Educational Background</b>	University of Pennsylvania - The Wharton School, BA Columbia University, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager

**Disciplinary Information**

None

**Other Business Activities**

Darren Fogel is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Darren Fogel and monitoring the investment advice that he provides to the clients of NB. Darren Fogel is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Darren Fogel's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**BOLTON LARGE CAP CORE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>David Pedowitz</b> <i>Managing Director</i>
<b>Year of Birth</b>	1957
<b>Educational Background</b>	Union College, BS Cornell University, MBA Cornell University, JD
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager

**Disciplinary Information** None

**Other Business Activities** David Pedowitz is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of David Pedowitz and monitoring the investment advice that he provides to the clients of NB. David Pedowitz is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. David Pedowitz's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable

**EQUITY WRAP STRATEGIES**

**BOLTON LARGE CAP CORE  
Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Mark D. Sullivan</b> <i>Senior Vice President</i>
<b>Year of Birth</b>	1967
<b>Educational Background</b>	Boston College, BS Duke University, MBA
<b>Business Experience (last five years only)</b>	2010-Present    Neuberger Berman LLC, Portfolio Manager

**Disciplinary Information**

None

**Other Business Activities**

Mark D. Sullivan is a registered representative of NB, a U.S. registered broker dealer and Neuberger Berman Management LLC, U.S. registered limited purpose broker dealer. These other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with NB's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of Neuberger Berman. Neuberger Berman has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Mark D. Sullivan and monitoring the investment advice that Mark D. Sullivan provides to the clients of NB. Mark D. Sullivan is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Mark D. Sullivan's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**DAVID J. GREENE – SMALL CAP INTRINSIC VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>James F. McAree</b> <i>Senior Vice President</i>
<b>Year of Birth</b>	1961
<b>Educational Background</b>	United States Military Academy, BS University of Michigan, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Research Analyst

**Disciplinary Information** None

**Other Business Activities** James F. McAree is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client’s investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of James F. McAree and monitoring the investment advice that he provides to the clients of NB. James F. McAree is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. James F. McAree’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable

**EQUITY WRAP STRATEGIES**

**DAVID J. GREENE – SMALL CAP INTRINSIC VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Benjamin H. Nahum</b> <i>Managing Director</i>
<b>Year of Birth</b>	1958
<b>Educational Background</b>	Clark University, BA Brooklyn Law School, JD
<b>Business Experience (last five years only)</b>	2010-Present    Neuberger Berman LLC, Portfolio Manager  Benjamin H. Nahum is also a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

**Disciplinary Information**                None

**Other Business Activities**                Benjamin H. Nahum is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Benjamin H. Nahum provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client’s investment mandate and are made in the best interests of the client.

**Additional Compensation**                None

**Supervision**                                      Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Benjamin H. Nahum and monitoring the investment advice that he provides to the clients of NB. Benjamin H. Nahum is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Benjamin H. Nahum’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**                      Not Applicable

**EQUITY WRAP STRATEGIES**

**DAVID J. GREENE – SMALL CAP INTRINSIC VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Amit Solomon</b> <i>Senior Vice President</i>
<b>Year of Birth</b>	1964
<b>Educational Background</b>	Tel Aviv University, BA Massachusetts Institute of Technology, PhD
<b>Business Experience (last five years only)</b>	2010-Present    Neuberger Berman LLC, Research Analyst  Amit Solomon is also a Senior Vice President at Neuberger Berman Management LLC, an affiliate of NB.

**Disciplinary Information**

None

**Other Business Activities**

Amit Solomon is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Amit Solomon provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman’s Code of Ethics and other compliance policies and procedures. Please refer to NB’s Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client’s investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Amit Solomon and monitoring the investment advice that he provides to the clients of NB. Amit Solomon is required to comply with Neuberger Berman’s Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Amit Solomon’s supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

## **EQUITY WRAP STRATEGIES**

### **INTERNATIONAL ADR**

#### **Supervised Person**

#### **Educational Background & Business Experience**

**Name** Benjamin Segal, CFA  
*Managing Director*

**Year of Birth** 1969

**Educational Background** Jesus College, BA  
Cambridge University, BA  
University of Pennsylvania, MA  
University of Pennsylvania -The Wharton School, MBA

**Business Experience  
(last five years only)** 2010-Present Neuberger Berman LLC, Portfolio Manager

Benjamin Segal is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.

**Professional Designations** The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

**Disciplinary Information** None

**Other Business Activities** Benjamin Segal is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. Benjamin Segal is also an Associated Person of NB. In addition, Benjamin Segal provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with a client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Benjamin Segal and monitoring the investment advice that he provides to the clients of NB. Benjamin Segal is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Benjamin Segal's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable



**EQUITY WRAP STRATEGIES**

**KANTOR ALL CAP CORE**

**Supervised Person**

**Educational Background & Business Experience**

<b>Name</b>	<b>Charles Kantor</b> <i>Managing Director</i>
<b>Year of Birth</b>	1970
<b>Educational Background</b>	University of Cape Town, Bachelor of Commerce Harvard University, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager

**Disciplinary Information** None

**Other Business Activities**

Charles Kantor is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Charles Kantor and monitoring the investment advice that he provides to the clients of NB. Charles Kantor is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Charles Kantor's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

## EQUITY WRAP STRATEGIES

### KSE VALUE

#### Supervised Persons

##### Educational Background & Business Experience

<b>Name</b>	<b>Michael N. Emmerman</b> <i>Managing Director</i>
<b>Year of Birth</b>	1945
<b>Educational Background</b>	Pace University, BBA Long Island University - C.W. Post School of Management, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager

##### Disciplinary Information

None

##### Other Business Activities

Michael N. Emmerman is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Michael N. Emmerman and monitoring the investment advice that he provides to the clients of NB. Michael N. Emmerman is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Michael N. Emmerman's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable

**EQUITY WRAP STRATEGIES**

**KSE VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Brooke Johnson</b> <i>Senior Vice President</i>
<b>Year of Birth</b>	1977
<b>Educational Background</b>	Northwood University, BBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager

**Disciplinary Information** None

**Other Business Activities** Brooke Johnson is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Brooke Johnson and monitoring the investment advice that he provides to the clients of NB. Brooke Johnson is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Brooke Johnson's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable

**EQUITY WRAP STRATEGIES**

**KSE VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Kenneth M. Kahn, CFA</b> <i>Managing Director</i>
<b>Year of Birth</b>	1948
<b>Educational Background</b>	State University of New York at Buffalo, BA
<b>Business Experience (last five years only)</b>	2010-Present    Neuberger Berman LLC, Portfolio Manager
<b>Professional Designations</b>	The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit <a href="http://www.cfainstitute.org">www.cfainstitute.org</a> .

**Disciplinary Information**

None

**Other Business Activities**

Kenneth M. Kahn is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Kenneth M. Kahn and monitoring the investment advice that he provides to the clients of NB. Kenneth M. Kahn is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Kenneth M. Kahn's supervisor is available at 212-476-9855.

**Requirements for State-  
Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**KSE VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

**Name** **Michelle B. Stein**  
*Managing Director*

**Year of Birth** 1955

**Educational Background** S.U.N.Y. Binghamton, BA  
New York University, MBA  
Syracuse University, MSE

**Business Experience** 2010-Present Neuberger Berman LLC, Portfolio Manager  
**(last five years only)**

Michelle B. Stein is also a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

**Disciplinary Information**

None

**Other Business Activities**

Michelle B. Stein is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Michelle B. Stein provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with a client's investment mandate and are made in the best interests of the client.

**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Michelle B. Stein and monitoring the investment advice that she provides to the clients of NB. Michelle B. Stein is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Michelle B. Stein's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable

**EQUITY WRAP STRATEGIES**

**LARGE CAP DISCIPLINED GROWTH**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>John J. Barker</b> <i>Managing Director</i>
<b>Year of Birth</b>	1958
<b>Educational Background</b>	Iona College, BBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager  John J. Barker is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.

**Disciplinary Information** None

**Other Business Activities** John J. Barker is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. John J. Barker provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

Portfolio Managers are generally paid on a monthly basis. Compensation is paid from the portfolio management team compensation pool made available to the portfolio management team with which the Portfolio Manager is associated. The size of the team compensation pool is a stated percentage of revenue generated by the portfolio management team for the month, less certain adjustments. The percentage allocated to individual team participants is based on a variety of criteria, including aggregate investment performance, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, a Portfolio Manager may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of John J. Barker and monitoring the investment advice that he provides to the clients of NB. John J. Barker is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. John J. Barker's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable

**EQUITY WRAP STRATEGIES**

**LARGE CAP DISCIPLINED GROWTH**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Scott Dynan</b> <i>Vice President</i>
<b>Year of Birth</b>	1976
<b>Educational Background</b>	Washington & Lee University, BA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Specialist

**Disciplinary Information** None

**Other Business Activities** Scott Dynan is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with NB's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Scott Dynan and monitoring the investment advice that he provides to the clients of NB. Scott Dynan is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Scott Dynan's supervisor is available at 212-476-9855.

**Requirements for  
State- Registered Advisors** Not Applicable

## EQUITY WRAP STRATEGIES

### LARGE CAP VALUE

#### Supervised Persons

##### Educational Background & Business Experience

<b>Name</b>	<b>Eli M. Salzmann</b> <i>Managing Director</i>
<b>Year of Birth</b>	1964
<b>Educational Background</b>	Princeton University, BA New York University, MBA
<b>Business Experience (last five years only)</b>	2011-Present Neuberger Berman LLC, Portfolio Manager 2007-2010 Lord Abett & Co, Portfolio Manager

Eli M. Salzmann is also a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

##### Disciplinary Information

None

##### Other Business Activities

Eli M. Salzmann is a registered representative of NB, a U.S. registered broker dealer. This other business relationship may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Eli M. Salzmann and monitoring the investment advice that he provides to the clients of NB. Eli M. Salzmann is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Eli M. Salzmann's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable



## EQUITY WRAP STRATEGIES

### REAL ESTATE SECURITIES

#### Supervised Persons

##### Educational Background & Business Experience

**Name** Brian C. Jones, CFA  
*Senior Vice President*

**Year of Birth** 1971

**Educational Background** Harvard University, BA

**Business Experience  
(last five years only)** 2010-Present Neuberger Berman LLC, Portfolio Manager

Brian C. Jones is also a Senior Vice President at Neuberger Berman Management LLC, an affiliate of NB.

##### **Professional Designations**

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

##### Disciplinary Information

None

##### Other Business Activities

Brian C. Jones is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Brian C. Jones provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Brian C. Jones and monitoring the investment advice that he provides to the clients of NB. Brian C. Jones is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Brian C. Jones's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable

## EQUITY WRAP STRATEGIES

### REAL ESTATE SECURITIES

#### Supervised Persons

##### Educational Background & Business Experience

**Name** Steve S. Shigekawa  
*Managing Director*

**Year of Birth** 1970

**Educational Background** University of California, BA  
New York University, MBA

**Business Experience  
(last five years only)** 2010-Present Neuberger Berman LLC, Portfolio Manager

Steve Shigekawa is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, each an affiliate of NB.

##### Disciplinary Information

None

##### Other Business Activities

Steve Shigekawa is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Steve Shigekawa provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Steve Shigekawa and monitoring the investment advice that he provides to the clients of NB. Steve Shigekawa is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Steve Shigekawa's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable

**EQUITY WRAP STRATEGIES**

**SMALL CAP VALUE**

**Supervised PersONS**

**Educational Background & Business Experience**

<b>Name</b>	<b>Michael L. Bowyer, CFA</b> <b><i>Managing Director</i></b>
<b>Year of Birth</b>	1958
<b>Educational Background</b>	University of California at Los Angeles, BA University of Minnesota, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Associate Portfolio Manager  Michael L. Bowyer is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.

<b>Professional Designations</b>	The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit <a href="http://www.cfainstitute.org">www.cfainstitute.org</a> .
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<b><u>Disciplinary Information</u></b>	None
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<b><u>Other Business Activities</u></b>	Michael L. Bowyer is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Michael L. Bowyer provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.
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NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

<b><u>Additional Compensation</u></b>	None
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<b><u>Supervision</u></b>	Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Michael L. Bowyer and monitoring the investment advice that he provides to the clients of NB. Michael L. Bowyer is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Michael L. Bowyer's supervisor is available at 212-476-9855.
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<b><u>Requirements for State-Registered Advisors</u></b>	Not Applicable
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**EQUITY WRAP STRATEGIES**

**SMALL CAP VALUE**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Robert W. D'Alelio</b> <i>Managing Director</i>
<b>Year of Birth</b>	1957
<b>Educational Background</b>	University of Massachusetts, BA Babson College, MBA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager Robert W. D'Alelio is also a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

**Disciplinary Information** None

**Other Business Activities** Robert W. D'Alelio is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Robert W. D'Alelio provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

**Additional Compensation** None

**Supervision** Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Robert W. D'Alelio and monitoring the investment advice that he provides to the clients of NB. Robert W. D'Alelio is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Robert W. D'Alelio's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors** Not Applicable

## EQUITY WRAP STRATEGIES

### SMALL CAP VALUE

#### Supervised Persons

##### Educational Background & Business Experience

**Name** **Brett S. Reiner**  
*Managing Director*

**Year of Birth** 1967

**Educational Background** University of Pennsylvania- The Wharton School, BSE

**Business Experience**  
**(last five years only)** 2010-Present Neuberger Berman LLC, Portfolio Manager

Brett S. Reiner is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.

##### Disciplinary Information

None

##### Other Business Activities

Brett S. Reiner is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Brett S. Reiner provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Brett S. Reiner and monitoring the investment advice that he provides to the clients of NB. Brett S. Reiner is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Brett S. Reiner's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable

## EQUITY WRAP STRATEGIES

### SMALL CAP VALUE Supervised Persons

#### Educational Background & Business Experience

<b>Name</b>	<b>Gregory G. Spiegel</b> <b><i>Managing Director</i></b>
<b>Year of Birth</b>	1972
<b>Educational Background</b>	Boston University, BS Columbia University, MBA
<b>Business Experience (last five years only)</b>	2012-Present Neuberger Berman LLC, Associate Portfolio Manager 2010-2012 Tourmalet Advisors, Director of Research

Gregory G. Spiegel is also a Managing Director at Neuberger Berman Management LLC, an affiliate of NB.

#### Disciplinary Information

None

#### Other Business Activities

Gregory G. Spiegel is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Gregory G. Spiegel provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with NB's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

#### Additional Compensation

None

#### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Gregory G. Spiegel and monitoring the investment advice that he provides to the clients of NB. Gregory G. Spiegel is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Gregory G. Spiegel's supervisor is available at 212-476-9855.

#### Requirements for State- Registered Advisors

Not Applicable

## EQUITY WRAP STRATEGIES

### SMALL CAP VALUE

#### Supervised Persons

##### Educational Background & Business Experience

<b>Name</b>	<b>Judith M. Vale, CFA</b> <i>Managing Director</i>
<b>Year of Birth</b>	1953
<b>Educational Background</b>	Yale University, BA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager  Judith M. Vale is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.
<b>Professional Designations</b>	The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit <a href="http://www.cfainstitute.org">www.cfainstitute.org</a> .

##### Disciplinary Information

None

##### Other Business Activities

Judith M. Vale is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Judith M. Vale provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Judith M. Vale and monitoring the investment advice that she provides to the clients of NB. Judith M. Vale is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Judith M. Vale's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable

**EQUITY WRAP STRATEGIES**

**SOCIALLY RESPONSIVE EQUITY**

**Supervised Persons**

**Educational Background & Business Experience**

<b>Name</b>	<b>Ingrid S. Dyott</b> <i>Managing Director</i>
<b>Year of Birth</b>	1973
<b>Educational Background</b>	Bowdoin College, BA Columbia University, MBA
<b>Business Experience (last five years only)</b>	2010-Present    Neuberger Berman LLC, Portfolio Manager

Ingrid S. Dyott is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.

**Disciplinary Information**

None

**Other Business Activities**

Ingrid S. Dyott is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Ingrid S. Dyott provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

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**Additional Compensation**

None

**Supervision**

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Ingrid S. Dyott and monitoring the investment advice that she provides to the clients of NB. Ingrid S. Dyott is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Ingrid S. Dyott's supervisor is available at 212-476-9855.

**Requirements for State-Registered Advisors**

Not Applicable



## EQUITY WRAP STRATEGIES

### SOCIALLY RESPONSIVE EQUITY

#### Supervised Persons

##### Educational Background & Business Experience

<b>Name</b>	<b>Arthur Moretti, CFA</b> <i>Managing Director</i>
<b>Year of Birth</b>	1963
<b>Educational Background</b>	Georgetown University, BA Princeton University, MA
<b>Business Experience (last five years only)</b>	2010-Present Neuberger Berman LLC, Portfolio Manager  Arthur Moretti is also a Managing Director at Neuberger Berman Fixed Income LLC and Neuberger Berman Management LLC, affiliates of NB.

<b>Professional Designations</b>	The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute - a global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. To learn more about the CFA charter, visit <a href="http://www.cfainstitute.org">www.cfainstitute.org</a> .
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##### Disciplinary Information

None

##### Other Business Activities

Arthur Moretti is a registered representative of NB, a U.S. registered broker dealer, and Neuberger Berman Management LLC, an affiliate of NB and a U.S. registered limited purpose broker dealer. In addition, Arthur Moretti provides advisory services on behalf of affiliates of NB. Those other business relationships may result in certain actual or perceived conflicts from time to time. These conflicts may relate to, among other things, the advice given to clients and the time and resources devoted to clients by supervised persons. These conflicts are managed through compliance with Neuberger Berman's Code of Ethics and other compliance policies and procedures. Please refer to NB's Part 2A Brochure for more detailed discussion of these conflicts and how they are managed.

NB investment professionals on portfolio management teams receive a fixed salary and are eligible for an annual bonus. The annual bonus for an individual investment professional is paid from a "bonus pool" made available to the portfolio management team with which the investment professional is associated. The amount available in the bonus pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. Once the final size of the available bonus pool is determined, individual bonuses are determined based on a number of factors including, but not limited to, the aggregate investment performance of all strategies managed by the individual, utilization of central resources, business building to further the longer term sustainable success of the investment team, effective team/people management, and overall contribution to the success of NB. NB has policies and procedures in place to monitor and manage any conflicts of interest that may arise as a result of this structure. For example, an investment professional may have an incentive to increase the size of the bonus pool by promoting a particular product over another or by taking aggressive investment positions in an effort to generate outsized returns. These policies and procedures are designed to ensure that investment product recommendations are made in the best interests of clients and that investment decisions are consistent with the client's investment mandate and are made in the best interests of the client.

##### Additional Compensation

None

##### Supervision

Joseph Amato as Chief Investment Officer is responsible for supervising the advisory activities of Arthur Moretti and monitoring the investment advice that he provides to the clients of NB. Arthur Moretti is required to comply with Neuberger Berman's Code of Ethics, its compliance policies and procedures and any other policies and procedures adopted by NB from time to time. Arthur Moretti's supervisor is available at 212-476-9855.

##### Requirements for State-Registered Advisors

Not Applicable

# FACTS

## WHAT DOES DO WITH YOUR PERSONAL INFORMATION?

### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and
- and
- and

When you are *no longer* our customer, we continue to share your information as described in this notice.

### How?

All financial companies need to share personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		
<b>For our marketing purposes—</b> to offer our products and services to you		
<b>For joint marketing with other financial companies</b>		
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences		
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness		
<b>For nonaffiliates to market to you</b>		

### Questions?

Call

## Who we are

**Who is providing this notice?**

## What we do

**How does protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

**How does collect my personal information?**

We collect your personal information, for example, when you

- or
- 
- 

**Why can't I limit all sharing?**

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

## Definitions

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

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**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- 

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

-

Neuberger Berman LLC  
605 Third Avenue  
New York, NY 10158-3698  
Tel. 212.476.9000



**PROXY INSTRUCTIONS**

Please send all proxies, proxy cards and annual reports to **Glass Lewis** at the following address:

**Glass, Lewis & Co.  
PVA – Neuberger Berman/NEU126  
One Sansome Street, Suite 3300  
San Francisco, CA 94104**

Please note that a member of Glass Lewis staff will call to verify implementation of this procedure. In the interim, if you have any questions regarding this request, please contact :

Suzanne Johnson  
Glass, Lewis & Co, LLC  
(703)652-4399  
[sjohnson1@glasslewis.com](mailto:sjohnson1@glasslewis.com)

If you need to contact Neuberger Berman, please e-mail [MAGreporting@nb.com](mailto:MAGreporting@nb.com) or [kevin.clifford@nb.com](mailto:kevin.clifford@nb.com)

Thank you,

Kevin B Clifford  
Vice President