

Form CRS (Customer Relationship Summary)

NEUBERGER BERMAN INVESTMENT ADVISERS LLC
NEUBERGER BERMAN BD LLC

As of June 30, 2020

Introduction

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

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

What investment services and advice can you provide me?

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

NBBB’s **brokerage** services offered to retail customers by its portfolio managers and wealth managers in their capacities as associated persons of NBBB (“NBBB Brokers”) include buying and selling securities (including for advisory clients of NBIA on a client-directed basis), asset allocation services and wealth planning services.

NBBB provides recommendations as to overall asset allocation, as well as recommendations of one or more proprietary strategies managed by NBBB’s advisory affiliates, including mutual funds (“NB MFs”), privately offered pooled investment vehicles (“NB Private Funds”) and separately managed accounts (“NB SMAs”). Certain portfolio managers, as NBBB Brokers, recommend, on a limited and complementary basis, select third-party privately offered pooled investment vehicles (collectively with NB Private Funds, “Private Funds”). Other than interests in NB MFs, NB SMA strategies and Private Funds, NBBB will not recommend any other specific securities or investment strategies. From time to time, NBBB make recommendations solely with respect to NB Mutual Funds or NB Private Funds. In connection with its asset allocation recommendations, NBBB will confirm the retail customer’s investment profile (e.g., financial situation, needs and investment objectives) on at least an annual basis but does not provide any ongoing monitoring.

NBBB also offers to certain retail customers one-time wealth planning services intended solely for informational and discussion purposes.

Certain existing retail customers have invested through NBIA’s investment platform (“Investment Platform”) of proprietary and select third-party strategies (NB SMAs, NB MFs, third-party separately managed accounts (“Third-Party SMAs”), third-party mutual funds (“Third-Party MFs”), exchange-traded funds (“ETFs”), and Private Funds). Third-party strategies are available only on a limited and complementary basis. With respect to those customers, NBBB makes asset allocation recommendations as to the strategies included in proposals for the retail customer’s consideration. The Investment Platform is no longer being offered to new customers.

In all cases, where strategies are only available to certain customers (e.g., based on the jurisdiction in which customer resides, the customer’s financial sophistication, etc.), NBBB will recommend to customers only strategies in which they are permitted to invest.

Except as specifically provided above or otherwise agreed with a customer, NBBB does not provide any on-going or periodic review, follow-up or monitoring of retail customer accounts for purposes of Regulation Best Interest.

When NBBB makes a recommendation, you make the ultimate decision regarding any purchase or sale of investments, or any asset allocation.

NBBB Brokers may, from time to time, provide recommendations to its customers for which NBBB’s trust company affiliate (“NB Trust Co”) provides investment services. Those investment services may allow certain customers to access different strategies than those that are available through NBBB and its other advisory affiliates, and subject those customers to different terms and different fees. Those customers should carefully review their agreement with NB Trust Co.

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

NBIA’s **advisory** services offered to retail clients by its portfolio managers and wealth managers in their capacities as supervised persons of NBIA (“NBIA Advisers”) include both discretionary and non-discretionary advisory services through its advisory programs and products. NBIA offers discretionary investment services through NB SMAs and its Guided Portfolio Solutions Program (“GPS Program”), where NBIA allocates client assets among NB MFs.

Through its NB Private Wealth Management Advisory Program (“PWM Advisory Program”), NBIA provides discretionary or non-discretionary investment advisory services by allocating client assets among proprietary strategies (NB SMAs and NB MFs), and, on a limited and complementary-only basis, select third-party strategies (Third-Party SMAs, Third-Party MFs and ETFs). Where NBIA provides non-discretionary services, you make the ultimate decision regarding any purchase or sale of investments.

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

Unless otherwise agreed, NB SMAs generally require a minimum account size of \$1 million and the PWM Advisory Program generally requires a minimum investment of \$5 million. Certain strategies require lower minimum account sizes of between \$50,000 to \$500,000, and GPS Program accounts require a minimum initial investment of \$100,000. Currently, the PWM Advisory Program is available only through certain portfolio management teams and is not available to all retail clients.

In limited circumstances, certain portfolio management teams will provide limited availability investment opportunities such as private investments (e.g., investments in private companies, SPACs, PIPEs, etc.) to certain clients.

Certain third-party wrap fee program sponsors ("Wrap Sponsors") make NBIA's advisory services available to, or utilize NBIA's model portfolio for, their clients ("Wrap Clients"), including on a "dual contract" basis, where the clients ("Dual Contract Clients") contract separately with NBIA for advisory services and the Wrap Sponsor or a designated broker for brokerage and other services. The standard minimum account size is determined by the Wrap Sponsor but is typically \$250,000 for fixed income accounts and \$100,000 for equity accounts. For Dual Contract Clients, the standard minimum account size is typically \$1 million for equity strategies and \$2 million for fixed income strategies.

Not all strategies are available to all retail clients (e.g., based on the jurisdiction in which client resides, client's financial sophistication, etc.); NBIA will allocate retail clients only to strategies in which they are eligible to invest (including where NBIA is so advised by the relevant Wrap Sponsor).

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

Certain existing retail clients have invested through NBIA's Investment Platform. NBIA selects the strategies that are available on the Investment Platform; however, all strategy recommendations made to retail clients are made by NBBD.

For additional information, please see NBBD's Regulation Best Interest Disclosure Statement ("NBBD Reg BI Statement") at http://www.nb.com/reg_BI_disclosure_nbbd/, NBIA's Form ADV Part 2A brochure ("NBIA ADV Part 2A") (Items 4 and 7 of Part 2A) at http://www.nb.com/adv_part_2A_nbial/, NBIA's Form ADV Part 2B brochures ("NBIA ADV Part 2Bs") and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBD, as applicable.

Conversation Starters. Ask your financial professional—

- **Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?**
- **How will you choose investments to recommend to me?**
- **What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?**

What fees will I pay?

In most cases, retail **brokerage** customers enter into account agreements pursuant to which they receive advisory services from NBIA and brokerage services from NBBD. Generally, those customers are billed an "all-inclusive" investment advisory fee that includes NBBD's brokerage fees. There are a limited number of existing NBIA advisory retail customers that do not pay an "all-inclusive" fee, but rather are charged separate brokerage commissions and other execution and transaction-related costs, in addition to NBIA's advisory fee. For those customers, the commission rates are agreed to by the customer and NBBD.

Commissions and other fees for client-directed transactions (which are generally added to/deleted from the purchase or sale price) include:

- Equities: \$0.10 a share, minimum of \$35 per trade
- Fixed Income: \$0.00
- Low Touch options: \$0.25/contract where option premium is <= \$0.15; \$.50/contract where option premium >\$0.15
- High touch options: \$1.50/contract
- ADR conversions: \$55 per conversion plus pass-through fees which vary by ADR
- Stock loans for short sales: varies by stock
- Wealth planning analyses are provided at no additional charge.

Retail customers who invested through the Investment Platform must pay a platform fee payable to NBIA and the strategies fees applicable to the strategies in which they invest.

With respect to retail **advisory** clients, generally, fees paid to NBIA are charged on the market value of client assets in each account and calculated and paid quarterly in advance. The market value of the securities in each account for purposes of determining the following quarter's advisory fee is calculated as of the close of trading on the last business day of each quarter. Because the fee paid to NBIA is, in most cases, an "all-inclusive fee" that includes NBBD's brokerage fees, NBIA's fees could be higher than a typical advisory fee.

For most NB SMAs, retail clients are charged an annual investment advisory fee that generally ranges between 0.900% and 1.750% for equity securities (and all other assets, including cash, not held for permanent investment in fixed income securities) ("Equity Assets"), and up to 0.400% for fixed income securities (and all other assets, including cash, of the account being held for permanent investment in fixed income securities) ("FI Assets"). For retirement accounts that can be invested in both Equity Assets and FI Assets, the investment advisory fee is based on these rates, but is applied based

on a target allocation selected by the client rather than the actual allocation between Equity Assets and FI Assets.

Some specialized NB SMA strategies are on non-standard fee schedules where clients are charged an annual investment advisory fee that generally ranges between 0.500% and 1.250%.

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

With respect to the PWM Advisory Program, non-retirement retail clients are subject to an investment advisory fee and the investment strategy fees applicable to the strategies in which they invest. The annual investment advisory fee ranges between 0.300% and 0.600%. The annual investment strategy fee for an NB SMA or Third-Party SMA ranges between 0.100% and 1.000%. With respect to Third-Party SMAs, a portion of the investment strategy fee is paid to the third-party manager and the third-party separate account program provider (the “Third-Party SMA Provider”), and a portion is retained by NBIA. Clients invested in MFs or ETFs incur the indirect fees and expenses charged by those funds.

Retirement retail clients investing through the PWM Advisory Program are subject to a single tiered retirement fee that does not vary based on underlying investment strategy and is based on the risk profile selected by the client that can range from 0.350%-1.400% annually. Generally, clients will not be charged any additional advisory fees for the strategies to which the client is allocated (e.g., advisory fees incurred as an investor in an MF or ETF are offset). Any investment in a Third-Party SMA will be subject to an additional fee of up to 0.150% that is paid to the Third-Party SMA Provider.

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

Certain Wrap Program Clients pay the Wrap Sponsors a bundled or “wrapped” fee that typically covers investment management, trade execution, custodial services and other administrative services. Of that fee, the Wrap Sponsors, in turn, pay fees to NBIA for its investment advisory services. Other Wrap Program Clients pay fees on an unbundled basis to separate parties, including fees to NBIA for its investment advisory services. NBIA generally negotiates its fees with each Wrap Sponsor and, subject to varying factors, NBIA’s annualized fee schedule for Wrap Program Clients for discretionary wrap programs generally ranges between 0.34% and 0.70% annually for equity strategies and 0.22% and 0.35% annually for fixed income strategies. Wrap Program Clients (other than certain Dual Contract Clients) are generally subject to the billing policies and procedures of the relevant Wrap Sponsor.

Existing clients that have invested through the Investment Platform are subject to (i) an annual platform fee that ranges between 0.250% and 0.650% of the market value of their accounts payable to NBIA for establishing, maintaining, and providing access to the Investment Platform, and (ii) the strategy fees applicable to the strategies in which they invest. The annual strategy fee for an NB SMA ranges between 0.200-0.800%. Clients invested in MFs, ETFs or Private Funds incur the indirect fees and expenses of those funds. Clients invested in Third-Party SMAs are subject to an annual strategy fee established by NBIA with respect to that Third-Party SMA, a portion of which is paid to the third-party manager and the Third-Party SMA Provider, and a portion of which is retained by NBIA. The Investment Platform is no longer being offered to new clients.

Other Fees and Costs - With the exception of advisory clients investing through retirement accounts, clients will generally be subject to the underlying fees and expenses of the products purchased in their accounts. In addition, retail investors will generally incur other fees and expenses associated with their account, including, but not limited to custodial fees and expenses (where the custodian is selected by the client), transfer taxes, and electronic fund, wire and other account transfer fees.

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

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see NBBD Reg BI Statement at http://www.nb.com/reg_BI_disclosure_nbbd/, NBIA ADV Part 2A brochure (Items 5.A., B., C., and D.) at http://www.nb.com/adv_part_2A_nbia/, NBIA ADV Part 2Bs and NBIA’s ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBD, as applicable.

Conversation Starter. Ask your financial professional—

- **Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

What are your legal obligations to me when providing recommendations as my broker- dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest

and not put our interest ahead of yours. At the same time, the way we (and our Advisory Affiliates) make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

Examples of Ways We Make Money and Conflicts of Interest.

For a more detailed list of potential conflicts of interest that can impact how we make recommendations or render advice, please see NBBD's Conflict Disclosures at http://www.nb.com/conflicts_disclosure_nbbd/ and NBIA's Conflict Disclosures at http://www.nb.com/conflicts_disclosure_nbia/.

Proprietary Products: Generally, NBIA, NBIA Advisers, NBBD and NBBD Brokers only recommend or allocate to proprietary strategies. Third-party strategies are generally limited to those approved by the Third-Party SMA Provider and determined complementary by the Neuberger Berman Investment Strategy Group to be complementary to the proprietary strategies (*i.e.*, with meaningful differences from strategies offered directly by NBIA and its affiliates). Moreover, as NBIA, NBIA Advisers, NBBD and NBBD Brokers are generally compensated based on revenues generated, this creates an incentive for them to allocate clients assets to more expensive strategies and to proprietary strategies, even where such strategies do not have the best performance.

Conversation Starter. Ask your financial professional—

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

For additional information, please see NBBD Reg BI Statement at http://www.nb.com/reg_BI_disclosure_nbbd/, NBIA ADV Part 2A brochure at http://www.nb.com/adv_part_2A_nbia/, NBIA ADV Part 2Bs and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBD, as applicable.

How do your financial professionals make money?

In general, in their role as broker-dealer representatives, most NBBD Brokers are compensated through sales commissions on the revenues generated by their customers, which creates an incentive to sell products. As revenue differs by product, this creates an incentive for NBBD Brokers to promote particular products that generate higher revenue. In certain instances, NBBD Brokers are also eligible to receive additional compensation if existing customers invest significant additional assets in a particular investment product. Some of NBBD Brokers can receive a fixed amount rather than commissions and can also be eligible for special payouts when assets under management reach certain targets.

In general, in their role as investment adviser representatives, most NBIA Advisers are eligible to participate in a compensation pool made available to the portfolio management team with which the NBIA Adviser is associated. The amount available in the compensation pool is determined based on a number of factors including the revenue that is generated by that particular portfolio management team, less certain adjustments. The percentage of the pool allocated to individual team participants is based on a variety of criteria, including aggregate investment performance and other quantitative measures (*e.g.*, client retention) and, for certain portfolio management teams, certain qualitative measures (*e.g.*, overall contribution to the success of NBIA). Revenue differs by product, which creates an incentive to invest clients' assets in particular strategies, including in proprietary strategies and strategies managed by the NBIA Adviser's own team as those investments will generally result in a benefit to the NBIA Adviser. Certain NBIA Advisers will receive more compensation if the NBIA Adviser meets certain "diversification thresholds". That creates an incentive for those NBIA Advisers to take actions to meet those thresholds. With respect to retirement accounts, NBIA has established additional compensation policies that are reasonably designed to manage conflicts of interest in accordance with applicable rules.

For additional information, please see NBBD Reg BI Statement at http://www.nb.com/reg_BI_disclosure_nbbd/, NBIA ADV Part 2A brochure at http://www.nb.com/adv_part_2A_nbia/, and NBIA ADV Part 2Bs provided to you.

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

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

Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter. Ask your financial professional—

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

Additional Information

For additional information, please see NBBD Reg BI Statement at http://www.nb.com/reg_BI_disclosure_nbbd/, NBIA ADV Part 2A brochure at http://www.nb.com/adv_part_2A_nbia/, NBIA ADV Part 2Bs and NBIA's ERISA 408(b)(2) disclosure as provided to you, and the terms of any agreement between you and NBIA or NBBD, as applicable. If you would like additional, up-to-date information or a copy of this disclosure, please call 212-476-9000.

Conversation Starter. Ask your financial professional—

- **Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?**