

June 30, 2020

## **Nuance Investments, LLC**

Nuance Investments, LLC is an investment adviser registered with the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important for investors to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

Nuance provides investment advisory services to retail investors in separate accounts (managed pursuant to our Mid Cap Value or Concentrated Value strategies) and as a participant in wrap and/or managed account programs offered by third parties (“Program Sponsors”). In a traditional wrap program, Nuance has discretionary authority to execute transactions on behalf of the wrap program client, subject to any conditions or limitations set forth in the client’s written agreement with Nuance or the Program Sponsor. Nuance also participates in unified managed account (“UMA”) or similar model programs, in which Nuance provides a model portfolio of recommendations to the Program Sponsor or Overlay Manager of the UMA program, who typically retains discretion and the ultimate authority to execute portfolio transactions for client accounts. Nuance typically does not have discretionary authority when serving as a model portfolio provider in a UMA program.

Generally, for managed account platforms, we do not accept accounts below \$250,000 for the Concentrated Value Separate Account product or the Mid Cap Value Separate Account product. However, we may negotiate lower account minimums in certain circumstances based on the applicable wrap platform requirements or our agreement with a particular client. Due to lower account minimums, certain wrap accounts may not receive or be able to fully implement all of Nuance’s investment recommendations, depending on the price of securities and the size of the account. Nuance may also be restricted from investing in certain securities due to operational constraints or limitations set by the Program Sponsor.

Nuance performs periodic reviews of client portfolios (*e.g.*, daily, weekly, monthly, quarterly) and continuously monitors day-to-day operations. The reviews are typically performed by the Portfolio Management Team and Trading Team and are triggered by various factors such as contributions to or distributions from accounts and changing market conditions. *For additional information about our advisory services, please see [Items 4 and 7 of our Form ADV, Part 2A](#).*

### ***Ask your financial professional:***

*Given my financial situation, should I choose an investment advisory service? 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?**

If you open an advisory account, you will pay an on-going asset-based fee based on the assets in your account. Our fees are exclusive of brokerage commissions, transaction fees and other related costs and expenses that will be incurred by the client in addition to the management fees we charge. Clients may also incur certain charges imposed by custodians, brokers and other third parties such as fees charged by managers, custodial fees, corporate action fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. Because we are compensated through asset-based fees, you will pay more in fees if more assets are held in your account. We therefore have an incentive to encourage you or the Program Sponsor to increase assets under our management.

For wrap and UMA programs, the Program Sponsor charges a single, all-inclusive (or “wrap”) fee based on the value of the client's account assets, that also includes the cost of other services including trade execution, custodial, performance monitoring and reporting. Such wrap fees are typically higher than asset-based advisory

June 30, 2020

fees. The Program Sponsor will typically pay Nuance a portion of this wrap fee at a rate pre-determined by the Program Sponsor.

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 about the fees we charge, please see [Item 5 of our Form ADV, Part 2A](#).*

***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 acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we 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 make money creates some conflicts with your interests. We must eliminate these conflicts or tell our clients about them in a way they can understand. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:*

In lieu of the standard asset-based fees we typically charge retail investors, we may have performance fee arrangements with qualified clients. Such fee arrangements may create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. We have procedures designed and implemented to ensure that all clients are treated fairly and equally, and to mitigate any conflict that could influence the allocation of investment opportunities among clients. Nuance does not favor performance-based fee client arrangements over standard fee client arrangements with investment opportunities or trade related issues.

*For additional information about our conflicts, please see [Items 6 and 12 of our Form ADV, Part 2A](#)*

***Ask your financial professional:***

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

**How do your financial professionals make money?**

Our financial professionals are compensated with a salary, and profit sharing based on the overall revenue and assets of the firm. Compensation is not based on amount of assets serviced, products sold, or commissions.

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

No. You may visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple research tool to research Nuance and our financial professionals.

***Ask your financial professional:***

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

**You can request further information about our products, services and fees, or a copy of this brochure by contacting us at 816-743-7080 or [client.services@nuanceinvestments.com](mailto:client.services@nuanceinvestments.com)**

***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?*