

# Why Separately Managed Accounts?

Growing long-term after-tax wealth is top of mind for many investors. Separately managed accounts aim to offer you flexibility, transparency, tax efficiencies and other benefits that may be limited by other investment vehicles.

## What Are the Benefits of SMAs?

There are many reasons to consider using SMAs:

- **Active Tax Optimization** Take control of your tax journey to meet your specific needs
- **Cost Efficiency** SMA fees are often competitive relative to those of other vehicles and can vary with customization
- **Portfolio Customization** Manage your portfolio to align with your personal objectives such as: avoiding concentrated stock positions, ESG factors, industries, sectors, companies and more

Separately Managed Accounts (SMAs) are portfolios of individual stocks and bonds held in the investor's name, allowing for customization and tax management specific to the investor's investment objectives.

## Grow Your Long-Term After-Tax Wealth With a Personalized Portfolio

Taxes represent the biggest cost to investors, potentially eliminating a substantial portion of gains. With an SMA, you and your financial advisor can have more control over managing your taxes in the following ways:



### TAX-LOSS HARVESTING

Offset capital gains from one investment by taking advantage of tax losses in another investment.



### DEFERRING CAPITAL GAINS

Postpone the realization of gains to benefit from your investments compounding in the market.



### AVOIDING CAPITAL GAINS DISTRIBUTIONS

Unlike mutual funds and ETFs, you can control your individual tax experience.

## Who Typically Benefits From SMAs?

Investors with the below characteristics are potentially able to capture the advantages of SMAs:



Are in high tax brackets or have material tax liabilities



Own a concentrated stock position or appreciated stocks



Want to align their investments with personal values

## SMAS OFFER A PERSONALIZED APPROACH TO BUILDING WEALTH THAT IS SPECIFIC TO YOUR NEEDS

	SMAs	ETFs	MUTUAL FUNDS
Capital gains distribution		✓	✓
Professional portfolio management	✓	✓	✓
Customizable security selection	✓		
Individual tax considerations	✓		
Sector and security overlays	✓		
Potential inadvertent overweightes		✓	✓
Increased transparency	✓		
Ownership of underlying securities	✓		
Ownership of fund shares		✓	✓
All-inclusive fees	✓		
Variable fees year over year, including operating expenses average plus any sales charges		✓	✓

## Neuberger Berman SMA Strategies\*

Managing SMA assets since 1988, Neuberger Berman offers a comprehensive suite of products designed to meet your specific needs across a wide spectrum of investment styles—from international and domestic equities to real estate, taxable and tax-exempt fixed income. Today, Neuberger Berman continues to be a leader in the separately managed account business, offering solutions to high-net-worth and institutional clients through various financial intermediaries.

VALUE EQUITY	REAL ESTATE	TAXABLE FIXED INCOME
GROWTH EQUITY	INTERNATIONAL EQUITY	TAX-EXEMPT FIXED INCOME
CORE EQUITY	EMERGING MARKETS EQUITY	THEMATIC
SUSTAINABLE EQUITY	BALANCED	



Consult with your financial advisor to determine which investment strategies are suitable for your unique investment objectives, risk tolerance, tax status and liquidity needs.

Founded in 1939, Neuberger Berman is a private, 100% independent, employee-owned investment manager. From offices in 39 cities across 26 countries, Neuberger Berman manages a range of equity, fixed income, private equity and hedge fund strategies on behalf of institutions, advisors and individual investors worldwide. With 718 investment professionals and 2,647 employees in total, Neuberger Berman has built a diverse team of individuals united in their commitment to client outcomes and investment excellence. Our culture has afforded us enviable retention rates among our senior investment staff, and has earned us citations as first or second (among those with 1,000 or more employees) in the *Pensions & Investments* “Best Places to Work in Money Management” survey each year since 2014.

\*Not all solutions are available at all firms.

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