

Betterment LLC is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. 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?

We offer investment advisory services to retail investors primarily over the internet. Our services include managed investing portfolios composed of exchange-traded funds (“ETFs”) and, in certain limited cases, mutual funds (collectively, “traditional securities”) or digital assets (“crypto”). We also offer retirement planning tools and a cash management offering (“Cash Reserve”). As a client, you input information about yourself and your investing goals through our online interface, and our software constructs and manages your portfolios based on the information you provide. If you elect our Premium offering, or purchase Advice Packages, you also receive advice from financial consultants via phone or email. If you are a “Third-Party Advised Client”, you receive our advisory services in addition to services from unaffiliated advisors through our Betterment for Advisors offering. If you are a “Retirement Plan Client”, you receive advisory services through an employer-sponsored retirement plan as a part of our Betterment at Work offering. More detailed information about Betterment services is available in our Form ADV Part 2A (“Firm Brochure”), Item 4 and Form ADV Part 2A Appendix 1 (“Wrap Appendix”).

Monitoring. As part of all our service offerings, our software monitors your account on a periodic and ongoing basis but we do not try to time the market (i.e., trade at the “perfect time”). Generally, rebalancing is based on how much your asset allocation moves away from your target allocation, subject to certain account minimums. We also offer a feature for certain accounts that, if enabled, automatically adjusts your portfolio’s allocation to gradually become more conservative as your goal term approaches (your “glide path”). Our investment process is developed and overseen by our investment advisory personnel.

Investment Authority. You grant us discretionary authority, which means we can buy and sell investments on your behalf when we determine it is appropriate to do so. We trade in response to your actions (such as asset allocation changes, deposits, or withdrawals), to rebalance your accounts, or to otherwise further your investment goals.

Limited Investment Offerings. Betterment-constructed traditional securities portfolio strategies are sets of globally diversified stock and bond allocations, generally constructed from low-cost, liquid, index-tracking ETFs. You are also able to elect other traditional securities portfolio strategies by thematic topic, some of which are constructed by third-party providers. Certain traditional securities portfolio strategies are available only to Third-Party Advised Clients. Betterment also offers crypto portfolio strategies for non-retirement accounts constructed of digital assets based on market-capitalization, risk-return profiles, and other factors including a cash allocation.

Account Minimums and Other Requirements. No minimum account size is required to open or maintain an account. The minimum deposit is \$10. To be eligible for our Premium offering, you must maintain a Betterment account balance of at least \$100,000 in traditional securities and crypto (excluding Betterment for Advisors, Betterment at Work, HSA).

More detailed information about our services is available in Firm Brochure Items 4, 5, and 6.

🗣️ CONVERSATION STARTERS

- 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?

Answers to the conversation starters may be found at betterment.com/legal/form-crs-overview.

What fees will I pay?

When we are paid based on assets under management, we have a financial incentive to recommend you contribute more money to your Betterment accounts. When you are eligible for multiple service offerings subject to different pricing, we have a financial incentive to recommend a higher-priced service offering. For example, we have an incentive to recommend our Premium offering to you (as opposed to our Digital offering). 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. Additional information about our fees is included in Firm Brochure, Item 5.

🗣️ CONVERSATION STARTERS

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

What fees will I pay? (Continued)

Client Type	Annual Wrap Fee ^{1,2}	Crypto Annual Fee ⁷
Digital	\$4 per month (\$48 annual) ³	1.00%
	0.25% ⁴	
Premium	0.40%	1.15%
Betterment for Advisors	0.12%–0.25% ⁵	1.00% ⁵
Betterment at Work	0.25% ⁶	
Advice Packages	Based on package selected ⁸	

¹ All of our offerings other than Crypto and Advice Packages are managed as part of a wrap fee program, which includes the costs of transaction and custody services provided by our affiliated broker-dealer, MTG LLC d/b/a Betterment Securities. All fees paid to us are separate from fund fees embedded in the securities purchased on your behalf. Betterment does not receive any portion of such fees.

² Our wrap fees are calculated based on client’s daily balance of assets under management and charged monthly or quarterly, as described in Part 2A of our Form ADV. Fees may be waived or reduced by discounts and other promotions at our discretion.

³ Effective on or after December 15, 2022, Digital investing accounts are subject to a \$4 per month wrap fee, unless client’s account balance for any day is greater than or equal to \$20,000, client enables a \$250 monthly recurring deposit, or client is eligible to participate in certain employer sponsored plans, with such clients paying a wrap fee of 0.25% of assets in their account. For more information, please visit www.betterment.com/pricing

⁴ HSAs are subject to an additional, asset-based fee charged by Optum Bank.

⁵ Advisors of Third-Party Advised Clients charge additional fees.

⁶ Betterment at Work charges separate plan administration and recordkeeping fees, which some plan sponsors pay.

⁷ Our Crypto fee solely covers our advisory services, including discretionary portfolio management. Clients also bear expenses associated with trading and custody charged by our crypto custodian, Gemini Trust Company, LLC (“Gemini”). Betterment does not receive any portion of the fees paid to Gemini.

⁸ Advice Packages are charged based on the specific services provided and are also available to clients with unfunded accounts. For more information, please visit betterment.com/advice-packages available to clients with unfunded accounts. For more information, please visit betterment.com/advice-packages

How do your financial professionals make money?

All employees are paid a base salary and certain employees are eligible for a discretionary bonus. Employees also receive compensation in the form of equity option grants in Betterment’s parent company. No compensation is based on the performance or selection of specific traditional securities or crypto assets. Sales team members who support the Betterment for Advisors and Betterment at Work offerings, and Betterment’s Licensed Concierge Team, who provide clients education on transactions such as rollovers, receive incentive compensation based on revenue from assets (which may vary depending on clients’ chosen products or services), advisory firms, or retirement plans brought to Betterment. Customer support associates also receive compensation when they refer a client to the Licensed Concierge team. Further details regarding incentive compensation are available in Firm Brochure, Item 14 and the Wrap Appendix, Fee Program Brochure Item 9.

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. You should understand and ask us about these conflicts because they can affect the investment advice we provide to you. For example, the interest rate available to you in Cash Reserve is based on the amount program banks are willing to pay on deposits minus payments we receive from program banks. This means that we could receive increased payments from program banks on a particular day without you receiving an increased rate of interest. Also, you are required to appoint Betterment Securities as the broker-dealer for your wrap account. Other broker-dealers provide different services and have different capabilities. Additional information about conflicts of interest between us and our clients is available in our Firm Brochure, Items 4, 6 and 9.

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

Yes. For more information, see Item 9 of our [Client Brochure](#). Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

CONVERSATION STARTERS

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

Additional information about our services can be found in our Form ADV Part 2A at betterment.com/legal/form-adv-part-2. For answers to the conversation starters or to download a copy of this relationship summary, please visit betterment.com/legal/form-crs-overview or contact us at (718) 400-6898.

CONVERSATION STARTERS

Who is my primary contact person? Are they 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?