

Betterment

Betterment is the largest independent online financial advisor with more than \$10 billion in assets under management. The service is designed to help increase customers' long-term returns and lower taxes for retirement planning, building wealth, and other financial goals. Betterment takes advanced investment strategies and uses technology to deliver them across three business lines.

Company Facts

- Assets Under Management: \$10B
- Founder & CEO: Jon Stein
- Founded in 2008 and launched in 2010

Our Mission

- Jon Stein created Betterment because he believed that people's money should work as hard for them as they worked to earn it. By combining proven investment strategies with technology that drives down costs, Jon believed that people would finally have a way to make the most of their money.

Three Business Lines

- **Betterment Direct-to-Consumer**
 - Betterment's Direct-to-Consumer line currently serves 270,000 customers. It is the original business line that was launched in 2010. Betterment's approach to long-term investing can help investors earn more per year than a typical investor. Its technology helps make this possible by lowering taxes, lowering fees, diversifying portfolios, and enabling better investor behavior. Additionally, the Betterment portfolio is a globally diversified mix of exchange-traded funds (ETFs), chosen to help earn better returns at various levels of risk. Betterment also offers three additional portfolios for consumers including a socially responsible investing (SRI) portfolio, Goldman Sachs' Smart Beta portfolio, and BlackRock's Target Income Portfolio.
- **Betterment for Advisors**
 - Betterment for Advisors provides automated and flexible investment strategies, a paperless back office, and a delightful user experience that empowers advisors to grow their business and build deeper client relationships. Advisors give advice, recommend goals to their clients, and use Betterment's technology to implement it all. Betterment for Advisors currently has 400+ firms using the platform.
- **Betterment for Business**
 - Betterment for Business is Betterment's 401(k) offering that was built from the ground up. It's selected by employers who want to offer their employees tailored and smart financial advice that will help them create a more secure future. Betterment for Business is powered by Betterment's proprietary, smart technology that automates and optimizes asset allocation to enhance financial wellness. Betterment for Business is used by 300+ employers including Casper and Boxed.

Regulatory Framework

- Betterment is an SEC-Registered Investment Advisor. Brokerage services are provided to clients of Betterment LLC by Betterment Securities, a broker-dealer regulated by FINRA and the SEC. Betterment Securities is a member of SIPC, which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org.

Determination of largest independent online financial advisor reflects Betterment LLC's distinction of having highest number of assets under management, based on Betterment's review of assets self-reported in the SEC's Form ADV, across Betterment's survey of independent online financial advisor investing services as of May 24, 2017. As used here, "independent" means that an online financial advisor has no affiliation with the financial products it recommends to its clients.

Investing in securities involves risks, and there is always the potential of losing money when you invest in securities. Before investing, consider your investment objectives and Betterment's charges and expenses. Visit Betterment.com for more information. *Not FDIC Insured. No Bank Guarantee. May Lose Value.*