

**Part 2A of Form ADV: Brochure**

**NERDWALLET ADVISORY LLC**

**55 Hawthorne Street, 10<sup>th</sup> Floor, San Francisco, CA 94105**

**(415) 484-7492**

**[www.nerdwalletadvisors.com](http://www.nerdwalletadvisors.com)**

**October 13, 2023**

**This Brochure provides information about the qualifications and business practices of NerdWallet Advisory LLC. If you have any questions about the contents of this Brochure, please contact us at (415) 484-7492. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.**

**Additional information about NerdWallet Advisory LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 325767.**

## **Item 2 Material Changes**

**There have been no material changes as this is the initial ADV Part 2A filing with the SEC.**

**This Brochure, dated October 13, 2023, is a completely new disclosure document and should be read in full.**

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## Item 4 Advisory Business

NerdWallet Advisory LLC (“NerdWallet Advisory”, the “Firm”, or “we”) is a limited liability company organized in the State of Delaware. The Firm was formed in August 2015, and is a wholly-owned subsidiary of NerdWallet, Inc. (“NWI”). NerdWallet Advisory’s principal place of business is located in San Francisco, California.

NerdWallet Advisory provides personalized financial planning (also referred to as “financial counseling” or “financial coaching”) services to individual investors (“Clients”) via a monthly or annual subscription plan. The financial planning services are designed to help Clients begin to assess their financial situation by looking at such things as budgeting, debt management, saving, retirement, insurance, and short and long-term financial goals. Financial planning services are provided through consultations with NerdWallet Advisory investment adviser representatives that generally are also licensed as a Certified Financial Planner™ (“Advisor”). Financial planning services are provided by the Advisors to Clients through a variety of means, including through telephone calls, video conferences, digital platforms, e-mail, reporting, or a combination thereof.

After agreeing to NerdWallet Advisory’s Terms of Service and enrolling in a subscription plan online via the Firm’s website, Clients complete a brief questionnaire to provide information regarding their financial circumstances, including income, expenses, assets and liabilities (together, the “investment profile”). Upon completing the questionnaire, Clients schedule a mandatory welcome call with an Advisor to discuss the Client’s investment profile and financial goals. No personalized recommendations are made by the Advisor until after the welcome call.

Based on the information the Client provides during the welcome call and the questionnaire, the Advisor will provide a written or verbal financial plan that includes specific recommendations, action items, and next steps to address the Client’s financial goals. Clients may contact an Advisor, ask questions, schedule follow-up calls or video conferences and request updated financial plans at any time during their subscription term.

NerdWallet Advisory’s financial planning services are based on information provided by each Client and the goals each Client determines in consultation with an Advisor. Clients should notify an Advisor promptly of any changes in their investment profile or financial goals that may affect their financial plan.

NerdWallet Advisory’s financial planning services do not include ongoing monitoring of the Client’s financial circumstances or goals, or particular investments or accounts. Services are provided at a particular “point in time” in response to specific Client questions and requests. This means that the advice provided by an Advisor is given on each occasion based on the information provided by the Client to the Advisor and is intended to be as of that moment in time. The Advisor will not periodically review or update prior advice unless they are expressly requested to do so by the Client at a future date. Moreover, neither NerdWallet Advisory nor its Advisors will proactively contact Clients to inquire about their desire for updated advice or new services or regarding any changes in the Clients’ investment profile or financial goals. It is solely the responsibility of the Client to seek updated financial planning services from NerdWallet and to provide any changes to their investment profile or financial goals that Client wants the Advisor to consider in providing updated advice. Financial planning services also do not include the implementation of the recommendations provided in the financial plan. Advisors are not responsible for taking any action based on the financial planning strategies or advice that the Advisors provide to Clients, which ultimately remain the Client’s obligation. It is each Client’s responsibility to decide if and how the financial planning strategies or advice provided by an Advisor should be implemented or otherwise

followed. Clients should carefully consider all relevant factors in making these decisions, including consulting with other professionals such as tax professionals and legal counsel. NerdWallet Advisory does not manage Client assets on a discretionary basis, nor does it recommend specific securities or investments to Clients. However, the Firm will advise about asset allocation and diversification. NerdWallet Advisory and its Advisors do not provide tax, legal, or accounting advice. Clients should contact their own tax, legal, and accounting advisors before making financial decisions.

The Advisors may refer Clients to NerdWallet Advisory's parent company, NWI, or an affiliate when recommending various educational resources. In addition to educational content, tools and calculators, NWI's and/or an affiliate's site includes product marketplaces where Clients may learn about, compare, and shop for third-party financial products and services online. Advisors do not undertake to, nor do they perform, specific due diligence regarding the third-party financial products and services available through NWI's websites or marketplaces and neither NerdWallet Advisory nor its Advisors are recommending any specific third-party financial products or services as part of its or their financial planning services. NWI or an affiliate earns referral fees, advertising revenue, or other compensation when such third-party products and services are purchased through their site.

NerdWallet Advisory may also refer Clients to unaffiliated third-party service providers ("Third-Party Providers"). Services provided by Third-Party Providers are distinct from those provided by NerdWallet Advisory, and Clients would contract directly with the Third-Party Providers to obtain any services from them. NerdWallet Advisory does not receive any referral fees or other compensation for referring Clients to Third-Party Providers, however, in instances where NWI or its affiliates maintain a business relationship with a Third-Party Provider, such relationship will be disclosed.

## **Item 5 Fees and Compensation**

NerdWallet Advisory's services are subject to a fixed monthly, or annual subscription fee of \$30 per month or \$300 per year (the "Membership Fee"). The Membership Fee will be paid by the Client based upon the payment schedule selected by the Client during the enrollment process using the payment method provided at enrollment. Clients will authorize NerdWallet Advisory to electronically charge the payment method provided for the Membership Fee for subsequent membership periods, until cancelled by the Client or by NerdWallet Advisory. If the Client selects the monthly subscription option, the Client will be charged once each month, at the beginning of their membership and then on or about the same date each following month, unless and until the Client or we cancel the Client's NerdWallet Advisory account. If the Client opts for the annual subscription plan, the Client will be charged once each year, at the beginning of the membership and on the same day each year thereafter unless and until the Client or we cancel the NerdWallet Advisory account. If a payment is not successfully settled, due to expiration, insufficient funds, or otherwise, and the Client did not cancel their account, NerdWallet Advisory may suspend access to the services until they have successfully charged a valid payment method.

NerdWallet Advisory reserves the right, in its sole discretion, to reduce or waive the Membership Fee for certain Clients or types of Clients without notice to, or fee adjustment for, other Clients, including in connection with promotional offers. NerdWallet Advisory also reserves the right to increase the Membership Fee or change the basis on which it charges fees on thirty days' prior written notice. Clients may terminate their advisory relationship at any time, but Clients will continue to receive services through the end of their billing cycle and fees will not be prorated.

The Membership Fee paid to NerdWallet Advisory for financial planning services is separate and distinct from the fees and expenses Clients will pay when implementing NerdWallet Advisory's advice by opening

accounts or investing. For example, Clients generally will pay investment advisory fees when the Client opens an account with an investment adviser to manage their assets. Clients would also pay transaction charges and other brokerage fees when purchasing or selling securities through a broker-dealer and will be subject to the fees and expenses charged by any investment products (e.g., mutual funds, exchange traded funds, and variable annuities) in which the Client may separately invest.

Advisors are salaried employees or contractors of NerdWallet Advisory and do not receive any additional compensation outside of a salary, hourly fee, and/or discretionary bonus paid by NerdWallet Advisory. Advisors who are salaried employees may participate in NWI's benefit plans that include 401(k) retirement savings and employee stock purchase plans; they may also receive restricted stock units of NWI stock.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

NerdWallet Advisory does not charge performance-based fees.

## **Item 7 Types of Clients**

NerdWallet Advisory provides financial planning services to individual investors. There is no minimum amount of assets required to establish a relationship with NerdWallet Advisory. In order for Clients to receive services, they are required to complete a questionnaire to provide their financial goals and other financial information and have an initial mandatory call with an Advisor. The Client must also acknowledge the Firm's Terms of Service and pay the applicable Membership Fee.

Clients are required to acknowledge their willingness to conduct a relationship with NerdWallet Advisory on an electronic basis and to receive all documentation relating to the financial planning services electronically.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

NerdWallet Advisory's recommendations vary depending upon each individual Client's specific investment and financial profile, and financial goals. NerdWallet Advisory uses an online questionnaire to collect financial and investment information from Clients and to understand their financial needs. Examples of the types of information collected may include financial goals, risk tolerance, time horizon, life events, current career and living situation, salary, debts, savings, real estate ownership, 401(k), and other types of retirement accounts. The Firm currently does not manage any assets, and does not recommend specific securities or investments to Clients. However, NerdWallet Advisory may recommend Third-Party Providers, including brokerage firms and other third-party investment advisers, such as full-service asset management advisors or robo-advisors, to Clients who seek to invest.

NerdWallet Advisory cannot guarantee the success of its financial planning services generally, or that of any particular financial plan or recommendation in achieving an individual's long or short-term investment or financial goals. In addition, Clients are urged to conduct their own diligence by reviewing information regarding investment advisers and broker-dealers on the SEC's website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) with respect to investment advisers) or the website of the Financial Industry Regulatory Authority, Inc. ([www.brokercheck.finra.org](http://www.brokercheck.finra.org) with respect to broker-dealers).

The information provided in the questionnaire or otherwise provided to the Advisor may not present a complete financial picture of the Client, and for purposes of providing financial planning services and

formulating the advice provided to the Client, Advisor will only consider information actually provided to the Advisor by the Client. As a result, the advice provided by the Advisor will be limited in scope by the information provided and may not analyze the entirety of a Client's financial planning needs.

NerdWallet Advisory does not guarantee the success of any financial plan. The success of NerdWallet Advisory's financial planning services depends upon the experience and expertise of its Advisors. The loss of the services of certain NerdWallet Advisory personnel could have a material adverse effect on the operations of the Firm. NerdWallet Advisory's operations are dependent on technology information and communication systems. A failure of any such system or a security breach or cyber-attack could significantly disrupt NerdWallet Advisory's operations and adversely affect its Clients. NerdWallet Advisory's service providers are subject to similar cyber-security threats. If a service provider fails to adopt, implement or adhere to adequate cybersecurity measures, or in the event of a breach of its networks, information relating to the NerdWallet Advisory's operations and personal information relating to Clients may be lost, damaged, corrupted or improperly accessed, used, or disclosed. Any system failure, security breach, or cyber-attack on NerdWallet Advisory, or any of their service providers, could cause NerdWallet Advisory to suffer, among other things, financial loss, disruption to its business, increased operating costs, liability to third parties, regulatory intervention and reputational damage and could have a material adverse effect on NerdWallet Advisory and its Clients.

## **Item 9 Disciplinary Information**

NerdWallet Advisory and its management personnel have not been involved in any legal or disciplinary events in the past ten years that would be material to a Client's or prospective Client's evaluation of its advisory business or management integrity.

## **Item 10 Other Financial Industry Activities and Affiliations**

Neither NerdWallet Advisory nor any of our management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither NerdWallet Advisory nor any of our management persons is registered or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity-trading advisor, or an associated person of the foregoing entities.

NerdWallet Advisory is a wholly-owned subsidiary of NWI, which operates platforms that deliver guidance through educational content, tools and calculators, and product marketplaces so that consumers and small to medium sized businesses may learn about, compare, and shop for financial products online. NWI or an affiliate may earn referral fees, lead generation fees, advertising revenue, or other compensation if Clients we direct to NWI or an affiliate for education or information or other resources transact with the service providers on NWI's or such affiliate's site. NWI also markets NerdWallet Advisory services to its users on the NWI website, which seek to generate additional Clients for NerdWallet Advisory's financial planning services. These business relationships can create conflicts of interest for NerdWallet Advisory. For example, due to the benefit to NWI we may recommend that a Client refer to educational and other financial resources on NWI's site, rather than the resources of third-parties.

As discussed above in *Item 4 - Advisory Business*, Advisors may refer Clients to Third-Party Providers in connection with providing financial planning services. While no referral fees or other compensation is provided to NerdWallet Advisory in connection with such referrals, a conflict of interest may arise to the extent NWI or its affiliates have a business relationship with the Third-Party Provider.

We address these conflicts of interest by disclosing them to Clients in this Brochure. In addition, NerdWallet Advisory has adopted policies and procedures that require Advisors to provide the financial planning services that are suitable and appropriate for each Client based on that Client's investment profile and financial goals, without regard for the receipt of any compensation by NerdWallet Advisory, NWI or its affiliates.

## **Item 11      Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

NerdWallet Advisory has adopted a code of ethics ("Code of Ethics") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, which sets forth the ethical standards of our business conduct that we require of all of our employees, including compliance with applicable federal securities laws.

We owe a duty of loyalty, fairness, and good faith to Clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code of Ethics also provides for oversight, enforcement, and recordkeeping provisions.

The Code of Ethics further includes the Firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

NerdWallet Advisory and the Advisors do not currently manage any assets or recommend specific securities or investments to Clients. However, the Code of Ethics permits the Firm and/or persons associated with our Firm to buy or sell for their personal accounts securities identical to or different from those recommended to our Clients. In addition, the Firm and its associated persons may have an interest or position in certain securities which may also be recommended to a Client.

A copy of our Code of Ethics is available to our Clients and prospective Clients. A free copy may be obtained by calling us at (415) 484-7492 during normal business hours, Pacific time.

## **Item 12      Brokerage Practices**

We do not currently manage any assets or recommend specific securities or investments to Clients. NerdWallet Advisory does not execute any Client trades, nor do we select or recommend the use of any particular broker-dealer, but we may direct Clients to lists of unaffiliated broker-dealers. NerdWallet Advisory does not have any arrangements with brokerage firms to share in the commissions generated by the securities transactions of its Clients, nor does it receive any other benefits from such transactions. You should carefully review the selected brokerage firm's or adviser's contract and disclosures for what



arrangements the selected brokerage firm and/or adviser may have with others concerning your advised accounts.

### **Item 13            Review of Accounts**

NerdWallet Advisory's financial planning services do not include ongoing monitoring of the Client's financial circumstances or goals, or particular investments or accounts. The Advisors will not periodically review or update prior advice unless they are expressly requested to do so by the Client at a future date. Clients can access information about their financial plan, action items, or next steps at any time through NerdWallet Advisory's website.

### **Item 14            Client Referrals and Other Compensation**

As discussed in *Item 4 - Advisory Business* and *Item 10 - Other Financial Industry Activities and Affiliations*, NerdWallet Advisory may refer Clients to content or marketplaces hosted by its parent company, NWI, or an affiliate that maintains content, tools, or marketplaces related to different financial products. NWI and its affiliates may earn referral fees, lead generation fees, advertising revenue, or other compensation if a Client referred by NerdWallet Advisory transacts on their websites, but no direct fee or other compensation will be paid to NerdWallet Advisory or the Advisors in connection with such referrals. Such fees or compensation create financial incentive for NerdWallet Advisory and its Advisors to refer Clients to content or marketplaces hosted by NWI or an affiliate, based on the compensation that NWI or the affiliate would receive.

NWI also markets NerdWallet Advisory services to its users on the NWI website, which seek to generate additional Clients for NerdWallet Advisory's financial planning services.

### **Item 15            Custody**

NerdWallet Advisory does not accept custody of Client funds or securities, nor does it maintain advisory accounts on behalf of Clients.

### **Item 16            Investment Discretion**

NerdWallet Advisory does not have investment discretion over Client accounts. That means that NerdWallet Advisory cannot trade the securities in Client accounts nor can it direct the payment of any fees or transfer of funds from or to Client accounts.

### **Item 17            Voting Client Securities**

NerdWallet Advisory does not manage Client accounts and does not have any authority to vote Client securities, and does not participate in shareholder litigations, including, but not limited to, bankruptcies and class-action lawsuits. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other events pertaining to the Client's investment assets. Clients are responsible for instructing each custodian of their assets to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets.

**Item 18      Financial Information**

NerdWallet Advisory does not require or solicit prepayment of more than \$1,200 in fees per Client six months or more in advance of services rendered. Therefore, we are not required to include a financial statement.

NerdWallet Advisory has no known financial circumstances that are likely to impair its ability to meet contractual commitments to report. NerdWallet Advisory has not been the subject of a bankruptcy petition at any time during the past ten years.