

# Royce Investment Partners (“Royce”)<sup>1</sup>

## Customer Relationship Summary (“CRS”) – December 1, 2023

### INTRODUCTION

Royce is registered with the Securities and Exchange Commission as an investment adviser. Royce provides investment advisory services to a wide range of clients, including mutual funds, ERISA accounts and other institutional clients. Although Royce may in the future provide advisory services to individuals directly, it does so only as a subadviser to its affiliate, Franklin Templeton Private Portfolio Group, LLC (“FTPPG”), which provides advisory services to managed accounts sponsored by unaffiliated financial intermediaries (“Sponsor Firms”). Royce also provides model portfolios to certain non-affiliated investment advisers or other financial service providers for use in connection with various personalized managed accounts, pooled investment vehicles, and/or other financial products.

This CRS is intended to provide retail investors (a natural person or a natural person’s legal representative) with a high-level overview of Royce’s investment advisory services.

This CRS contains references to specific sections of Royce’s Form ADV Part 2A (the “Royce Brochure”) and to FTTPG’s Form ADV Part 2A (the “FTTPG Brochure,” and together with the Royce Brochure, the “Brochures”) where you can find more detailed disclosures about certain of the topics covered in this CRS.

Investment advisory services and fees differ from brokerage services and fees, and it is important for you 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 investment advisers, broker-dealers, and investing. The boxes below contain “conversation starter” questions you may wish to ask of Royce to better understand its investment advisory services.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Royce offers a wide range of investment management strategies. *Such strategies are described in **Item 8** of each of the Brochures.* You or your financial intermediary, if you are working with one, should select a strategy for your account that is suitable and appropriate for you in light of your investment objectives and personal circumstances. Royce does not provide recommendations as to which strategy is best for a client. *Minimum investment amounts for strategies offered by Royce when acting as a subadviser to FTTPG are subject to negotiation on a case-by-case basis.*

Under both FTTPG-Implemented Programs and FTTPG Discretionary Model-Based Programs, *which are described in **Item 4** of the FTTPG Brochure*, FTTPG has investment discretion over each client account that selects a Royce investment strategy (i.e., the authority to determine the securities that are purchased, sold, and held in such account) and delegates such investment discretion to Royce. Royce exercises such investment discretion by furnishing investment instructions to FTTPG for implementation. In the case of FTTPG-Implemented Programs, FTTPG has discretionary implementation authority over client accounts, and has not delegated such authority to Royce. *Please see **Item 4, Item 12, and Item 16** of the FTTPG Brochure for more information.* In the case of FTTPG-Implemented Programs, FTTPG will review your account on a regular basis to confirm that it is being managed in accordance with your selected strategy.

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<sup>1</sup> Royce & Associates, LP is a Delaware limited partnership that primarily conducts its business under the name Royce Investment Partners.

Under FTPPG Non-Discretionary Model-Based Programs, which are described in **Item 4** of the FTPPG Brochure, neither FTPPG nor Royce has investment discretion or discretionary implementation authority over client accounts. In the case of these programs, FTPPG forwards Royce's non-discretionary investment recommendations in the form of model portfolios to Sponsor Firms or their designees for implementation, subject to the discretion of such Sponsor Firms or their designees. Please see **Item 4, Item 12, and Item 16** of the FTPPG Brochure for more information.

Royce does not have investment discretion or discretionary implementation authority in connection with the model portfolio delivery arrangements described in **Item 4** of the Royce Brochure. In the case of these arrangements, Royce delivers non-discretionary investment recommendations in the form of model portfolios to certain non-affiliated investment advisers or other financial service providers for implementation by such firms or their designees, subject to the discretion of such firms or their designees. Please see **Item 4, Item 12, and Item 16** of the Royce Brochure for more information.

Please see **Item 13** of each of the Brochures for more information about how Royce monitors its client accounts.

- *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?**

Royce receives an asset-based fee for management of your account from you (or FTPPG) for its advisory services. Please see **Item 5** of each of the Brochures for information concerning the fee rates that apply to the various Royce investment strategies that are available. In addition to Royce's fee, you may incur other costs, including, without limitation, fees charged by your intermediary, custody fees, brokerage and trade execution costs for all or certain transactions and trade away, prime brokerage and similar processing charges. Please see **Item 5 and Item 12** of each of the Brochures for more information.

**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.**

- *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, we may face certain conflicts of interest in the course of providing such investment advisory services to you. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Examples of conflicts include, without limitation, Royce's management of proprietary accounts and accounts with performance fees side-by-side with your account. Please see **Item 6, Item 11, and Item 12** of each of the Brochures for more information concerning various conflicts of interest faced by Royce and the policies and procedures that Royce has adopted to address such conflicts.

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

### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Royce employees who are not portfolio managers receive a base salary and may receive bonuses on a periodic basis, which in some cases is based upon firm-related variable compensation. Royce portfolio managers receive a base salary, portfolio-related variable compensation, and firm-related variable compensation, which is based primarily on registered investment company and other client account revenues generated by Royce. Royce employees do not, however, receive compensation based on sales, client referrals, or new accounts.

### DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Please see **Item 11** of Royce's Form ADV Part 1. You may visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research Royce and its employees.

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

### ADDITIONAL INFORMATION

You can find additional information about Royce, including copies of the Forms ADV of Royce and FTPPG, on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may call us at (212) 508-4500 to request up-to-date information or a copy of this CRS.

- *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?*