



Form ADV Part 3

Form CRS – Client Relationship Summary
March 22, 2024

Mackay Shields LLC

1345 Avenue of the Americas

New York, NY 10105

<https://www.newyorklifeinvestments.com/mackay-shields>

If you have any questions about the contents of this Form CRS (Relationship Summary), please contact:

Christopher P. Fitzgerald, Esq.

Managing Director and Chief Compliance Officer

T: 212-758-5400

E: Compliance-DB@mackayshields.com

The information in this Form CRS – Client Relationship Summary has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. In addition, registration with the SEC does not imply a certain level of skill or training.

Additional information about Mackay Shields LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.



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MacKay Shields LLC (“we” or “us”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). We offer investment advisory services. We are an indirect wholly-owned subsidiary of New York Life Insurance Company (“New York Life”). New York Life also owns other investment advisers and broker-dealers registered with the SEC (our “affiliates”). Some of our employees, including some of our senior officers, are registered with the Financial Industry Regulatory Authority (“FINRA”) as representatives and principals of our affiliate NYLIFE Distributors LLC (“NYLIFE Distributors”). NYLIFE Distributors is an indirect wholly-owned subsidiary of New York Life that is registered as a broker-dealer with the SEC. Brokerage and investment advisory services and fees differ, and it is important that you understand the differences between them. 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 provide investment advisory services to retail clients. You may contract directly with us via a separate managed account or be a client in a wrap fee program for which we serve as investment adviser or sub-adviser. While we do not sponsor any wrap fee programs, we provide portfolio management services to client accounts that participate in wrap fee programs offered to you by unaffiliated broker-dealers. The broker-dealers offering these programs will charge you a single fee for investment advice, the execution of securities transactions with a broker-dealer (brokerage commissions), the safekeeping of assets (custody), and account administrative services. One of our affiliates, New York Life Investment Management LLC (“NYLIM”), may act as investment adviser to your account through a wrap-fee program, and we provide operational, administrative and sub-advisory services to your account.

Ask us:

- 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?

Either as investment adviser or sub-adviser to you through a separately managed account or through a wrap-fee program, we typically have investment discretion to make decisions regarding the purchase and sale of securities in your chosen investment strategy. Our investment strategies are not limited and may include a broad range investments, including, without limitation, equity and debt instruments, exchange-traded funds and mutual funds. We monitor your account for compliance with its investment guidelines. For accounts in wrap-fee programs, other forms of monitoring are also done by NYLIM, the unaffiliated broker-dealers offering the wrap-fee program, or third-party administrative service providers to a wrap-fee program.

Separately managed account minimums generally range from \$25-\$75 million, depending on strategy, but we sometimes work with retail investors with smaller accounts. The wrap-fee program accounts we advise typically require a minimum of \$100,000, though the minimum account size may be lower in some circumstances. For more detailed information on the services we provide, please see [Items 4 and 7 of our Form ADV, Part 2A](#).

What fees will I pay?

If you establish a separately managed account with us, you will pay us an asset-based fee and/or a performance-based fee as set forth between us in a management agreement. If your account is part of a wrap-free program, you will pay an asset-based “wrap fee” to the broker-dealer that offers your wrap fee account (and we will receive a portion of the wrap fee charged by the sponsor). An asset-based fee is based on a percentage of the value of the assets in your account. The higher the value of the assets in your account, the higher a fee you will pay; this gives us the incentive to encourage you to increase the assets in your account. A wrap-fee covers investment advisory services in addition to brokerage commissions, custody services, and other administrative services, as described above, and is therefore higher than a typical asset-based advisory fee. You will typically pay your wrap-fee quarterly.

Ask us:

- 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.

In addition to the advisory or wrap-fee, you will pay other fees and charges, including: transfer taxes, electronic fund and wire fees, retirement account fees, margin interest, foreign investment fees, auction fees, borrowing fees on short sales, odd-lot differentials, costs associated with corporate actions, activity assessment fees, exchange fees, other charges mandated by law, and certain other transaction charges or fees. Separately managed accounts will be subject to fees charged by your custodian. In certain instances, we may execute securities transactions for you through a broker-dealer other than the sponsor of your wrap fee program and you will incur brokerage

commissions for these transactions. Some fees you will pay are built into the cost of buying, or on the proceeds of selling an investment. For example, a broker-dealer will build the fee it charges into the price it charges you to purchase a bond (called “mark-up”) or into the price that you will receive when you sell a bond (called a “mark-down”) and fees charged by investment product sponsors (e.g., the advisory fee charged by a mutual fund sponsor) will reduce your return on those products. 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. For more detailed information on the fees we charge, please see [Item 5 of our Form ADV, Part 2A](#).

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 you. For example, we, along with our affiliates, serve as investment adviser to mutual funds, exchange-traded funds and alternative investment products. In some instances, we may recommend that you purchase one of these mutual funds, exchange-traded funds or alternative investment products. We receive compensation for the sales that result from these recommendations giving us an incentive to encourage you to invest in these products; however, this compensation does not increase the advisory fees or costs you pay. We also benefit from an increase in the asset-based investment management fees that we or our affiliates earn on these investment products as a result of your investment in them. As a result, we have an incentive to encourage you to invest in these proprietary investment products. For more detailed information on our conflicts of interest, please see our [Form ADV, Part 2A](#).

Ask us:

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

How do your financial professionals make money?

Our financial professionals are our employees and earn a regular salary, as well as other compensation such as bonuses. At our discretion, certain of our financial professionals who are responsible for the sale of interests in collective investment vehicles that we or our affiliates sponsor also receive compensation based, in part, on the amount of assets they service, the specific products they sell, and the revenue we earn from their advisory services or recommendations.

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

Yes. A free and simple search tool to research us and our financial professionals can be found at Investor.gov/CRS

Ask us:

- As a financial professional, do you have any disciplinary history? For

Additional Information

Please visit www.newyorklifeinvestments.com/mackay-shields for additional information about our investment advisory services, including a copy of this relationship summary. **To request up-to-date information or a copy of this relationship summary, please call us at 212-758-5400.**

Ask us:

- 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?