



## CUSTOMER RELATIONSHIP SUMMARY MAY 20, 2020<sup>1</sup>

### FIRM DESCRIPTION

Thornburg Investment Management, Inc. is a privately held investment management company founded in 1982. We are a registered investment adviser with the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available at [Investor.gov/CRS](http://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 advice to retail investors<sup>2</sup> on equity, fixed income, and balanced account investments, which are typically individual stocks and/or bonds and mutual funds that we manage ("Funds"). When we manage **discretionary accounts**, typically for high net worth individual private clients and clients in third party "wrap fee" programs, this means we will buy and sell investments without your prior consent. When we advise **non-discretionary accounts**, we make recommendations to your adviser and your adviser makes the ultimate decision to buy and sell investments. As part of our standard services for discretionary accounts, we monitor your holdings at least quarterly. We usually provide advice only on the assets in your account. We do not provide tax, accounting, legal, or financial planning services. Account minimums for private client accounts vary depending on the strategy used, and we can waive these minimums. Wrap program sponsors have a minimum account size to open and maintain an account. **For more information, please see the "Item 4: Advisory Business", "Item 7: Types of Clients", "Item 13: Review of Accounts", and "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss" sections of our Part 2A brochure.**

### CONVERSATION STARTERS: ASK YOUR FINANCIAL PROFESSIONAL –

- 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?

If you are a **private client**, you will pay an asset-based fee, meaning that it is calculated as a percentage of the assets in your account, and is normally payable quarterly in advance. We typically bill you for your fees. You pay our fee quarterly even if you do not buy or sell. Accounts with more assets typically pay more fees, so we have an incentive to encourage you to increase the assets in your account. You also will usually pay a transaction fee, commission or commission equivalent for fixed income securities

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<sup>1</sup> This disclosure is provided to comply with the SEC's Form CRS disclosure requirements. It does not create or modify any agreement, relationship, or obligation between you and Thornburg. Please consult your Thornburg agreements for all terms and conditions controlling your account and relationship with us.

<sup>2</sup> "Retail investor" is a natural person, or the legal representative of a natural person, who receives or seeks to receive services primarily for personal, family, or household purposes. You are not a retail investor if you use our services primarily for purposes other than personal, family, or household purposes.

(called a mark-up or mark-down) to a broker to buy or sell securities. Custodians (third-party firms that hold your assets, usually banks) charge custody, administrative, and transaction fees. If you invest in a Fund that is not advised or sub-advised by us, you will pay your share of the Fund's advisory fees and operating expenses which are shown in the Fund's prospectus. If you are a client in a **third party wrap fee program**, you will typically pay a bundled asset-based fee for advice, trades executed by the sponsor, custody, and reporting, and this fee is therefore higher than a typical advisory fee that covers only advice. The sponsor pays us a portion of your fee. You will pay additional fees when we use a broker-dealer other than the sponsor ("step-out"). We will step-out trades when we believe that they are more likely to provide you with best overall execution price. The additional fees you pay are part of the "net price" you pay for or receive in the transaction and are typically not shown separately on a trade confirmation or account statement.

***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 information, please see the "Item 5: Fees and Compensation" and "Item 10: Other Financial Industry Activities and Affiliations" sections of our Part 2A brochure.

#### CONVERSATION STARTERS: ASK YOUR FINANCIAL PROFESSIONAL –

- 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, the way we make money creates some conflicts with your interests.* You should understand and ask us about these conflicts because they affect the investment advice we provide you. Here is an example to help you understand what this means. We may buy shares of Funds for your account. We will not charge account management fees on your assets that we invest in Funds, but we have a conflict of interest because the Fund fees we earn might be more than the account management fees we would earn if we bought other securities for your account. **For more information about our conflicts of interest, please see sections of our Part 2A brochure that reference conflicts of interest.**

#### CONVERSATION STARTERS: ASK YOUR FINANCIAL PROFESSIONAL –

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

#### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our employees earn a base salary and can earn a bonus based on factors including the firm's profitability and their long-term contribution to the firm. We do not pay employees based on the amount of client assets they service, the time they spend with a client, account performance or the complexity of the client's investments. They do not earn commissions or service fees. We limit the gifts and entertainment to reduce the potential for conflicts. We do not pay employees for client referrals.

#### DO YOU AND YOUR FINANCIAL PROFESSIONALS HAVE DISCIPLINARY HISTORY?

Yes. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**CONVERSATION STARTERS: ASK YOUR FINANCIAL PROFESSIONAL –**

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

**ADDITIONAL INFORMATION**

For more information about our services, please email us at [compliance@thornburg.com](mailto:compliance@thornburg.com) or contact us by phone at 1-800-533-9337. You can also visit us at [www.thornburg.com](http://www.thornburg.com). If you have a problem with your investments, account or financial professional, contact us in writing at 2300 North Ridgetop Road, Santa Fe, NM 87506, email us at [compliance@thornburg.com](mailto:compliance@thornburg.com) or contact us by phone at 1-800-533-9337.

**CONVERSATION STARTERS: ASK YOUR FINANCIAL PROFESSIONAL –**

- 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?

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