



## WELLESLEY ASSET MANAGEMENT, INC. RELATIONSHIP SUMMARY March, 2024

Wellesley Asset Management, Inc. (“WAM”) is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ and it is important for retail investors to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### ***What investment services and advice can you provide me?***

WAM offers investment advisory services to individuals (including high net worth individuals) through separately managed accounts and acts as sub-advisor to certain wrap program providers. As part of WAM’s standard services provided to separately managed account clients, WAM reviews client accounts monthly, and in response to changes in market conditions, changes in the financial situation of clients, at the request of the client, and other factors.

WAM offers both discretionary and non-discretionary investment advisory services. When providing discretionary advisory services, WAM may purchase and sell securities for client accounts, although clients may impose limited restrictions on investing in certain securities or types of securities. For non-discretionary accounts, the retail investor makes the ultimate decision regarding the purchase or sale of investments.

WAM specializes in investing in convertible bonds. In managing client accounts, WAM predominantly uses convertible securities, convertible bond and corporate bond mutual funds, synthetic notes, principal protected products, and structured products (including, but not limited to, index-linked notes, ETN and ETFs). Although WAM’s advice is principally in convertible securities, WAM may from time to time invest client assets in other products and types of securities, including mutual funds sponsored by WAM (“Affiliated Funds”). WAM has a minimum account size of \$500,000; however, advisers that refer clients to WAM and wrap fee program providers may impose different minimum account sizes. **For additional information regarding WAM’s investment advisory services, please review Items 4, 5, 6, 7, and 14 of the applicable Form ADV Part 2A found here <https://www.wam.com/form-adv/>.**

***To start a conversation about relationships and services, 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?***

WAM’s fees are based on a percentage of assets under management and generally range from 0.99% to 1.24% based on a variety of factors related to the account, including account size. Accounts may be eligible for lower fees as account assets grow. Fees are negotiable for new accounts more than \$10,000,000. Accounts invested exclusively in shares of one or more Affiliated Funds are not subject to the management fee charged by WAM. Non-discretionary accounts will be charged an annual rate of 0.25%. Fees for referred client relationships vary based on agreements negotiated with the referring advisory firm, and range from an annual rate of 0.45% to 1.00%. Clients may incur custodial fees and may also incur transaction fees on the purchase and sale of securities.

With respect to wrap programs, WAM is paid a management fee by the wrap program providers based on a percentage of assets under management, which indirectly can be considered a portion of the wrap program fee. Asset-based fees associated with wrap fee programs also include most transaction costs and fees to a broker-dealer or bank that has custody of these assets, and therefore are higher than a typical asset-based advisory fee.

WAM deducts its fees from client accounts, quarterly, in advance. WAM may choose to waive all or a portion of fees in certain circumstances. For fee calculation purposes, WAM may agree to aggregate the assets of related client accounts and such accounts may receive the benefit of a lower effective fee rate due to such aggregation. Certain long-standing clients are subject to different fee schedules that were in effect at the time the client entered into an advisory relationship with WAM. Discounts or fee waivers may be offered to WAM’s employees, their family members, and friends. Therefore, WAM’s minimum account size and advisory fees may differ among clients.

To the extent that an account is invested in shares of an Affiliated Fund, clients will generally pay the management, transaction, and administrative fees and expenses borne by investors in those vehicles, in addition to the management fee charged by WAM (except for ERISA and IRA accounts).

The more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and WAM may therefore have an incentive to encourage a retail investor to increase the assets in his or her account. 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 additional information regarding WAM's fees, please review Item 5 of the applicable Form ADV Part 2A found here: <https://www.wam.com/form-adv/>.**

***To start a conversation about the impact of fees and costs on investments, 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 can affect the investment advice we provide you. Here is an example to help you understand what this means.

As the manager of the Affiliated Funds, WAM is paid a management fee as specified in the Affiliated Funds' prospectus. WAM therefore has an incentive to invest separately managed account assets in shares of the Affiliated Funds, and may do so even in cases where similar unaffiliated funds have lower fees or superior historical returns. **For additional information regarding WAM's legal obligations and conflicts of interest, please review Items 5, 6, 11, and 14 of the applicable Form ADV Part 2A found here: <https://www.wam.com/form-adv/>.**

***To start a conversation about conflicts of interest, as your financial professional:***

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

***How do your financial professionals make money?***

Depending on their role, certain financial professionals receive a fixed salary, while others are compensated based on the amount of client assets they service. Certain financial professionals also receive commissions based on the sale of securities or other investment products. Consequently, these financial professionals have an incentive to recommend investment products based on the commission received, rather than on the client's needs.

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

Yes, for our firm. No, for our financial professionals. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple tool to search our firm and our financial professionals.

***To start a conversation about disciplinary history, ask your financial professional:***

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

***Additional Information***

**A retail investor can find additional information about WAM's investment advisory services and request a copy of this relationship summary by calling (781) 416-4000 or visiting <https://www.wam.com/form-crs/>.**

***To start a conversation about contacts and complaints, 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?”*