



Muzinich & Co., Inc. (the “Firm” or “we” or “our”)

The Firm is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment adviser, and investing.

What investment services and advice can you provide me?

Services and Investment Authority

We offer investment advisory services to retail investors, including, but not limited to, the management of separately managed accounts (“Accounts”). We principally invest in fixed income securities, mainly bonds and bank loans. However, we may invest in other securities such as exchange traded funds and mutual funds. We act as an investment adviser for you only after entering a written agreement (the “Agreement”) with you. The Agreement describes our advisory relationship and obligations to you. Language is generally included in such Agreement allowing you to impose guidelines, restrictions or limitations on our investment and/or trading ability (“Investment Guidelines”). The Investment Guidelines, may, for example, limit our ability to invest in instruments that are rated below or above a certain level of credit quality, or limit us to investing in companies that transact business in certain jurisdictions. Our clients typically grant us ongoing discretionary authority to make investment decisions for their Accounts, which means that we can buy and sell investments on behalf of our clients within the Investment Guidelines without seeking permission on a trade-by-trade basis.

Monitoring

As a part of our standard services we monitor clients’ Accounts on an ongoing basis to ensure that we are following their established Investment Guidelines.

Limited Investment Opportunities and Account Minimums

The Firm and its affiliates offer a variety of products and services but may limit the products available to you based on factors such as Account limitations and client eligibility requirements. For example, retail investors are unable to purchase securities issued pursuant to Rule 144A under the Securities Act because holders of such securities may generally sell only to Qualified Institutional Buyers (“QIB”). An individual can never be a QIB, no matter how experienced or wealthy she/he is. The minimum dollar amount of assets ordinarily required for the establishment of an Account with the Firm is typically \$50,000,000. We, in our sole discretion, may reduce this investment minimum.

Additional Information

Additional information about our services will be provided to our clients via a disclosure document. Please refer to Items 4 and 7 of such document, Part 2A Brochure of our Form ADV, available [here](#).

CONVERSATION STARTERS [Here are questions to ask your financial professional to help you understand the services you’ll receive:](#)

- **Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?

The Firm charges clients an investment management fee that is based on the value of each client’s assets under management. The annual management fee generally will be up to 1% depending on the size and complexity of the client’s Account. Investment management fees are generally billed quarterly but may be billed monthly, in advance or after such billing period, as outlined in the Agreement. In general, investment management fees are based on the value of all assets held in the Account (assets under management), as valued by a third-party service provider, as determined by the client’s custodian or administrator. Investment management fees are negotiable.

In addition to the Firm’s investment management fee, clients bear transaction fees (such as broker fees) when we buy or sell investments in the Account. A client also pays fees to the broker-dealer or bank that maintains their Account (called “custody” fees), administration fees, and other transaction fees (where imposed), as well as fees for any additional services such as audit, third party investment analysis, pricing, or tax preparation. We may decide to purchase mutual funds and/or exchange traded funds for a portion of a client’s portfolio in accordance with their Agreement. Such investment vehicles pay their own management, transaction, and administrative fees and expenses; and those fees and expenses are indirectly borne by the investors in those vehicles, including the Firm’s clients.

In addition, clients may pay a profit participation, incentive allocation, or other variable fee components based on performance

(positive return), in any such case in accordance with the terms of the Agreement and the requirements of applicable law. These fees are also negotiable.

The amount of fees a client pays to Muzinich generally increases as its Account grows. Therefore, we have an incentive to encourage a client to increase the size of its Account.

Some, but not all, of the Firm's clients pay a performance-based fee. As a result, the Firm will have a conflict of interest:

- Clients who pay a performance-based fee will offer the Firm a potential for higher profitability when compared to clients who pay only an investment management fee. As a result, performance-based fee arrangements create an incentive for the Firm and its portfolio managers to favor performance-based fee clients over other clients in the devotion of time, resources and/or allocation of investment opportunities.
- The Firm will also be encouraged to make riskier investments for clients that pay performance-based fees rather than clients that pay only an investment management fee.

Additional Information

You will pay fees and costs whether you make or lose money on 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. Additional information about our fees is included in Items 5.A, B, C, D and E. of the Part 2A Brochure of our Form ADV available [here](#).

CONVERSATION STARTERS Here are questions to ask your financial professional to help you understand the services you'll receive:

- **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 to you. Here are some examples to help you understand what this means.

- We manage accounts for multiple clients, and we allocate our time based on each client's needs. Our Firm may earn more as we grow our assets under management, and some accounts may pay higher fees than others, but we seek to balance our staffing with the individualized needs of each client.
- When the Firm seeks to make an investment in its clients' Accounts but is unable to obtain 100% of the securities it would like to buy, certain client Accounts, especially smaller Accounts, may be disadvantaged. For example, a smaller client Account may be excluded from the investment.

Additional Information

Additional information about conflicts of interest between the Firm and its clients is available in the Part 2A Brochures of our Form ADV, which is available [here](#).

CONVERSATION STARTERS Here are questions to ask your financial professional to help you understand the services you'll receive:

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

How do your financial professionals make money?

The Firm's financial professionals receive a salary and may receive a discretionary bonus. Compensation is based on a variety of factors, including the number, value and complexity of accounts under management, the performance of those accounts, and client satisfaction and retention. Performance-based fee arrangements will create an incentive for the Firm and its financial professionals to favor clients who pay performance-based fees over other clients and to allocate additional time, resources, and investment opportunities to those clients. This may impact relative performance of some clients as compared to other clients. Additional information is available in the Part 2A Brochures Item 6 of our Form ADV which is available [here](#).

Do your financial professionals have legal or disciplinary history?

No. Please visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

CONVERSATION STARTERS Here are questions to ask your financial professional to help you understand the services you'll receive:

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

Additional Information

Additional information about our services can be found [here](#). If you have any questions about the contents of this brochure or would like to request a copy of this relationship summary, please contact us at (212) 888-3413.

CONVERSATION STARTERS Here are questions to ask your financial professional to help you understand the services you'll receive:

- **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?**