



## SUMMARY OF THORNBURG SECURITIES CORPORATION'S BUSINESS CONTINUITY PLAN

**June 2010**

### **Purpose**

Thornburg Securities Corporation ("TSC" or the "Firm"), has adopted this Business Continuity Plan ("BCP") pursuant to FINRA Rule 4370. The purpose of this Business Continuity Plan ("BCP") is to define the strategies and the plans which will be used by TSC during a time of crisis to enable TSC to maintain and sustain safe and secure business operations while minimizing damage to our profitability and reputation.

In creating our BCP, we have assumed that our alternate designated off-site locations are available, that we have sufficient personnel, and that external organizations, such as government agencies and market systems, are operational. If any of these assumptions is in error, our business could be disrupted until matters are resolved. While no contingency plan can eliminate all risk of service interruption or temporarily impeded account access, we continually assess and update our plans to mitigate all reasonable risk.

### **Policy**

The Firm's policy is to respond to a Significant Business Disruption ("SBD") by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all books and records, and allowing our customers to transact business. In the event that we determine we are unable to continue our business, we will ensure customers prompt access to their funds and securities.

Our plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only the Firm's ability to communicate and do business, such as a fire in our building. External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a citywide catastrophe, or a wide-scale regional disruption. Our response to an external SBD relies more heavily on other organizations and systems.

### **Business Description**

TSC is currently the wholesale distributor and underwriter of shares of the series of mutual funds ("the Funds") of Thornburg Investment Trust ("TIT"), an investment company registered with the Securities and Exchange Commission ("SEC") pursuant to the Investment Company Act of 1940, as amended. The funds are advised by Thornburg Investment Management, Inc. ("TIM"), an investment adviser registered with the SEC pursuant to the Investment Advisers Act of 1940, as amended. TSC has entered into written contractual selling agreements with all broker/dealers who distribute the Funds. Boston Financial Data Services ("BFDS" or "Transfer Agent") is currently the transfer agent for the Funds and State Street Bank and Trust is currently the custodian for the Funds.

### **Office Locations**

TSC's primary office is located at 2300 N. Ridgetop Road, Santa Fe, NM, 87506. The main telephone number is 505-984-0200, and the fax number is 505-984-8973. TSC also has remote offices located outside of Santa Fe, NM. These remote offices are only utilized by TSC or TIM employees.

All services that TSC is responsible for with regard to C-TSC accounts are conducted at this location. All mission critical functions and systems, as described in the section below, take place at this location. The President, National Sales Manager, Retail Manager, Retirement Manager and the Sales Administrative Assistant are the TSC employees located at this office.

The Regional Consultants, the Retirement Group Director, and the President maintain off-site offices located at their individual residences. These employees are only responsible for the sales and marketing of the Funds and Thornburg investment advisory products and services, no services relating to C-TSC accounts are conducted at these locations.

### **Alternate Office Locations During a SBD**

TIM has contracted with SunGard Recovery Services Ltd. to provide immediate and comprehensive recovery support at their Scottsdale, Arizona facility, or other available facilities within the SunGard recovery network throughout the United States, in the event of a disaster affecting our Santa Fe, New Mexico headquarters.

In the event of an SBD, we will move staff members that are deemed critical from the Santa Fe office location to our disaster recovery site. Remote access facilities will be in-place for those employees not moved to the disaster recovery location(s).

“SunGard Availability Services provides disaster recovery services, managed IT services, information availability consulting services and business continuity management software to more than 10,000 customers in North America and Europe. With five million square feet of datacenter and operations space, SunGard assists IT organizations across virtually all industry and government sectors prepare for and recover from emergencies by helping them minimize their computer downtime and optimize their uptime.”

Because all equipment and mission critical systems are provided by and maintained by TIM, TIM’s contract extends to TSC.

### **Alternate Communications Between the Firm and its Employees, Customers, and Regulators**

#### **A. Employees**

We communicate with our employees via the telephone, e-mail, in person, TIM’s intranet web page and the U.S. Mail. In the event of an SBD, we will assess which means of communication are still available to us to communicate with employees. A dedicated emergency hotline which is hosted off site is available for central messaging and employee communication. We will also employ a call tree so that senior management can reach employees quickly during an SBD. The call tree includes staff home or cell phone numbers and office phone numbers. If the Firm relocates to the SunGard Site, outgoing calls would be available immediately. Processing incoming phone calls would be delayed pending the redirection of services from our phone service providers. Remote offices would be the most isolated from any disaster at the Firm’s primary office location. Remote office employees could call in to the SunGard site or the Thornburg Emergency Information Line to get any information they may need and they could also access the Firm’s network and email service from their remote location.

#### **B. Customers**

TIM has developed ongoing communication processes with its customers in the event of an emergency. In the event of a significant business interruption, all inbound calls on our customer service 800 numbers are routed through a third-party vendor which allows those telephone calls to be answered at an offsite location. In addition, a message facility has been established on the customer service 800 numbers to allow us to update and present information to callers in the event that the telephone cannot be answered. TIM’s public website ([www.thornburg.com](http://www.thornburg.com)) also may be used to communicate to our customers and employees. Status messages can be placed on the

website indicating to customers, for example, the nature of the emergency or the status of our service to customers.

A significant business disruption should not impact a customer's ability to have access to available funds because our BCP is designed to ensure sustained service.

Our transfer agent, BFDS, backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by BFDS that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within specified times as mandated by the SEC and FINRA. However, orders and requests for funds and securities could be delayed during this period.

#### C. Regulators

The Firm is subject to regulation by FINRA and the SEC. TSC may at times be involved in negotiations or communications with other regulators. We communicate with our regulators via the telephone, e-mail, fax, U.S. mail, in person, and via their proprietary systems on the internet. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form to the means that we have used in the past to communicate with our regulators.

#### **Reconstitution Phase**

In the reconstitution phase, operations are transferred back to the original facility once it is free from the disaster aftereffects, and execution-phase activities are subsequently shut down. If the original system or facility is unrecoverable, this phase also involves rebuilding. Hence the reconstitution phase may last for a few days to few weeks or even months, depending on the severity of destruction and the site's fitness for restoration.

As soon as the facility, whether repaired or replaced, is able to support its normal operations, the services may be moved back. The execution team should continue to be engaged until the restoration and testing are complete.

#### **For More Information**

Our Business Continuity Plan is tested annually to ensure its adequacy and effectiveness and is subject to change without notice. We recommend that you review this notice periodically for changes. If you have questions about our Business Continuity Plan or if you would like to obtain a current copy of this notice, you can call us at 1-800-847-0200, or visit our website and print this notice.