

Form ADV Part 2A

**Signature Family Wealth Advisors
Doing Business As Brown Advisory**

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This brochure provides information about the qualifications and business practices of Signature Financial Management, Inc., doing business as Brown Advisory (“Brown Advisory”). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Brown Advisory also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Brown Advisory’s CRD number is 106375.

Brown Advisory is registered as an investment adviser with the SEC. The use of the terms “registered investment adviser” or “registered” by us does not imply by itself any level of skill or training. The oral and written communications we provide to you, including this brochure, contain information you can use to evaluate us (and other advisers), which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

ITEM 2: MATERIAL CHANGES

This brochure is the annual updating amendment to the prior brochure dated March 28, 2025.

This brochure contains material changes and expanded disclosures in the following areas:

- Item 5 – Fees and Compensation
- Item 11 – Code of Ethics, Participation or Interest in Client Transactions & Personal Trading – New discussion of policy and process for allocating limited-capacity opportunities
- Item 12 – Brokerage Practices – Trade Sequencing, Aggregation, and Allocation; Trade Errors
- Item 14 – Client Referrals and Other Compensation – Custody Arrangements; Cash Management Options
- Item 16 – Investment Discretion – Receipt of Material Non-Public Information; Participation in Corporate and Other Legal Actions

Clients may request a copy of the Form ADV Part 2A at any time without charge by sending a written request to our Chief Compliance Officer at 901 S. Bond Street, Suite 400, Baltimore, Maryland 21231 or by email to compliancegroup@brownadvisory.com

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ITEM 4 ADVISORY BUSINESS

A. General Description of the Advisory Firm. Signature Financial Management, Inc., doing business as Brown Advisory (“Brown Advisory”), was founded in 1994 in Norfolk, Virginia. Brown Advisory is a wholly owned subsidiary of Brown Advisory Incorporated (“BAI”), which is organized as a corporation and is an affiliate of Brown Advisory LLC (“BALLC”), a limited liability company registered with the SEC as an investment adviser pursuant to the Investment Advisers Act of 1940. Additional information about BALLC is available on the SEC’s website at www.adviserinfo.sec.gov.

B. Description of Advisory Services. Brown Advisory provides integrated wealth management services to high net worth individuals and their families, and to a small number of charitable trusts and foundations. These services are designed to assist our clients in identifying and realizing their investment objectives in coordination with their other professional advisors. Our offerings include the following:

Investment Management

Brown Advisory’s approach to investing is long-term, generally defined as a full market cycle, lasting 7 to more than 10 years. We invest globally in both active and passive strategies. We invest in active strategies with managers we believe have an identifiable edge in their investment process. Investments in passive strategies generally include ETFs and index funds, capturing market exposure with lower fees. We focus on risk as well as return, managing risk primarily by diversification and attention to valuation and we are willing to sacrifice on the upside in order to protect the downside. Across all strategies, Brown Advisory seeks to manage fees and taxes as part of our investment process.

In addition to investment advisory services, we provide other services, including:

Strategic Planning and Family Governance

Brown Advisory assists clients in developing a strategic plan with measurable outcomes. This plan often includes documenting goals for future generations, outlining a process and implementing a plan for business succession, organizing family meetings, and educating children about financial matters.

Cash Management

Our cash management services include developing and tracking budgets, providing bill-paying services and expense summaries, funding trusts and monitoring their distributions, and administering the processes around minimum required distributions and charitable giving.

Income Tax Organization

We assist in aggregating data for both individual and entity tax preparation by client CPAs and participate in tax planning with CPAs and other advisors.

Risk Management

Brown Advisory reviews certain security needs, analyzes insurance policies, assists in developing risk reduction strategies, and coordinates the details of insurance titling with estate plan and asset protection in mind.

Estate and Wealth Transfer Planning

We coordinate estate planning with other advisors and integrate a strategy of investments consistent with that plan, prepare illustrations and summaries of documents for grantors, trustees, and beneficiaries, and assist in estate settlement.

Household Administration

We assist in household administration, including employee confidentiality agreements, regulatory compliance, payroll processing, and health and retirement plan implementation for staff.

Philanthropic Planning

Brown Advisory advises on various charitable strategies, organizes and implements impactful giving plans, and coordinates execution tactics with legal and accounting advisors.

C. Availability of Tailored Services for Individual Clients. Because each client's planning needs are different, Brown Advisory tailors its services to the needs of each individual client. We design client portfolios to reflect different levels of risk and return, as well as a client's need for liquidity, tolerance for concentrated positions in illiquid investments, and time horizon. Clients may impose restrictions on investing in certain securities or types of securities. We offer to meet with each client as often as necessary for the client to feel comfortable with the investment process and call each client to meet at least annually.

D. Assets Under Management. As of December 31, 2025, Brown Advisory had approximately \$7.57 billion in assets under management, of which approximately \$7.52 billion is discretionary, and \$45.6 million is non-discretionary.

ITEM 5 FEES AND COMPENSATION

A. Advisory Fees. Brown Advisory enters into a written investment advisory agreement with its clients, the terms of which are negotiable. The advisory agreement contains the fee arrangement. Brown Advisory charges investment advisory fees as a percentage of assets under management or as a flat fee. Fees are generally billed quarterly in arrears. If the fee is asset based, the fee generally is calculated on the value of the portfolio as of the last day of the quarter. Brown Advisory's standard fee is 1.00% per year on the first \$1,000,000; 0.75% on the next \$2,000,000; 0.65% on the next \$2,000,000; and 0.50% on assets greater than \$5,000,000. Brown Advisory negotiates fees for accounts depending on the size and type of account, the investments in the account, and the services required.

B. Payment of Fees. Clients generally authorize Brown Advisory to take payment of fees as they become due out of the client's account. Brown Advisory has the discretion to redeem at the then-current price or current net asset value a sufficient number of account securities in order to pay these fees. Fees are deducted quarterly. Some clients choose to pay by check. Brown Advisory provides a quarterly billing statement so that the client can confirm the accuracy of the fee calculation. Fees may be payable in advance or arrears, depending on each client's agreement.

C. Other Fees and Expenses. Investment advisory fees payable to Brown Advisory do not include all the fees the client will pay when we purchase or sell securities for the client's account(s). Investment advisory fees cover investment management. Clients also are responsible for paying custody fees, fees and expenses associated with collateral loans, any third party administration expenses, brokerage charges, fund expenses, taxes or other costs related to the purchase and sale of securities for a client's account, including available cash sweep options. Custody fees will vary depending on the custodian. All brokerage charges and related transaction costs are charged to the account(s) as they occur. See Item 12 for additional information about our brokerage practices.

Mutual funds, ETFs, money managers, and private placement vehicles also charge investment management fees in addition to Brown Advisory's fees. The fund prospectus, the private placement documents, or the separate agreement between the money manager and the client explain these fees.

All investment advisory fees paid to us for portfolio management services are separate from the fees and expenses incurred in respect of any mutual funds, ETF, collective investment trusts ("CITs"), limited partnerships or private funds in which client assets may be invested, including funds or partnerships advised by us or our affiliates. The vehicle's prospectus or offering document provides details of such fees and expenses, as well as differences across share classes. When clients hold BALLC-sponsored mutual funds and/or ETFs in an account that is charged an investment advisory fee by Brown Advisory or any of its affiliates, Brown Advisory has policies and procedures in place designed to ensure that a client is credited its approximate pro-rata share of the management fee paid to Brown Advisory by the affiliated mutual fund or ETF as an offset against, and to the extent of, the client's investment advisory fee for the applicable billing period, unless otherwise noted in the fund's prospectus or offering document or otherwise negotiated. Typically, these fees are calculated on a daily basis, while any such fee offsetting occurs on a quarterly basis. Exceptions to this fee-offsetting practice apply if a fund is operating over its expense cap or to the extent that the allocable share of the management fee to be deducted exceeds the client's investment advisory fee for the applicable billing period. In cases where any such mutual fund has exceeded its expense cap, the firm will cover the excess expenses and reduce the quarterly rebate to clients to the extent of the expenses incurred by the affiliated mutual fund. If the firm subsequently is able to recoup any such expenses allocable to an affiliated mutual fund in excess of an expense cap, the firm will not increase the rebate amount over the investment advisory fee; these recouped expenses will be borne by the client.

Clients are not rebated any fees in respect of investments made in privately offered funds offered by us or any of our affiliates. As such, investors in such affiliated funds will pay three levels of fees and expenses as discussed in *Item 6 – Performance-Based Fees and Side-By-Side Management*: (1) to the underlying fund managers or private equity entities; (2) to Brown Advisory or one of its affiliates as general partner; and (3) to Brown Advisory as investment adviser.

Within mutual funds, other fees, including business management or shareholder servicing fees (i.e., administrative services fees) are charged as described in the relevant prospectus and Statement of Additional Information. A Brown Advisory affiliate will receive fees for services

provided to proprietary registered funds. Shareholder servicing fees are utilized to cover expenses related to ongoing servicing of existing shareholders. The administrative fees cover business and operational expenses incurred by the funds; some examples of these expenses include but are not limited to Board of Trustee relations, technology expenses, and overhead.

For mutual funds launched before 2013, Brown Advisory generally provides fee offsets against shareholder servicing fees to ensure the client's net expense ratio is aligned with the lowest available share-class (i.e., Institutional share class). For funds launched in 2013 or after, clients are typically invested in the share class that offers the lowest available net expense. Certain custodians do not offer the lowest cost share classes offered in Brown advised- and sub-advised mutual funds on their platforms. In these cases, clients will be invested in the lowest share class available on the custodian's platform. As a result, clients may incur higher fund expenses than they would if they purchased shares on a different platform. Therefore, clients should not assume that their assets will be invested in the share class with the lowest expense ratio.

Investors in private equity fund-of-funds managed by the firm or one of its affiliates typically are subject to an annual management fee based on one of two calculation methodologies, unless otherwise noted in the fund's private placement memorandum or other offering documents: 1) on an investor's (i) capital commitments, and (ii) after 10 years, invested capital; or 2) on the lesser of (i) unreturned capital and (ii) net assets value of the fund. The management fees typically range from 0.0% per annum to 1% per annum. Management fees are typically paid by requiring investors in firm-sponsored funds to make capital contributions in respect of such fees or withholding the amount of such fees from investment proceeds that would otherwise be distributable to the investors of such funds. Additionally, certain of the private equity fund-of-funds managed by the firm or one of its affiliates charge investors carried interest, which can range from 5% to 10%. Further detail about a fund's management fee and carried interest, as applicable, are described in the vehicle's private placement memorandum or other offering documents. Private equity investments by clients of the firm, including firm-sponsored and non-firm-sponsored investments, are typically subject to the firm's account-level fee in addition to fees charged by the fund. Account-level fees may be negotiated and typically are based on client assets under management or advisement.

Investors in private funds managed by the firm or one of its affiliates to facilitate venture capital investments typically are subject to a management fee that generally ranges from 1.5% to 2% on capital commitments and are charged a carried interest allocation that ranges from 10% to 20% carried interest with respect to such investments. Investors in private funds managed by NextGen, an affiliate of the firm, formed to facilitate a single venture capital investment typically are subject to an annual administrative services fee per investor as set forth in the applicable offering documents and also are charged carried interest which can range from 0% to 20%, as negotiated by the investor. The manner of calculation and application of the management fee, administrative services fee and the carried interest allocations are disclosed in the offering documents for each such fund. Investors in private funds managed by the firm or one of its affiliates to facilitate private equity investments across a range of investment types and sectors are generally charged a carried interest allocation of 3% with respect to such investments. Investors in these particular vehicles are also subject to a contingent management fee wherein the investor will be required to pay a management fee in the event that the investor's investment advisory relationship with the firm or one of its affiliates is terminated.

Management fees are typically paid by requiring investors in firm-sponsored funds to make capital contributions in respect of such fees or withholding the amount of such fees from investment proceeds that would otherwise be distributable to the investors of such funds. Carried interest allocations are typically deducted from investment proceeds that would otherwise be distributable to the investors in the venture capital fund.

The firm typically charges investors in the hedge fund-of-funds or long equity partnerships it manages a management fee. From time to time, an incentive fee is charged in addition to the management fee, as set forth in the applicable offering documents. The management fees typically range from 0.40% to 1.25% of the net asset value of the applicable fund per year, typically are calculated and payable monthly in arrears and are deducted from an investor's capital account in the fund. Each fund's private placement memorandum or other offering document describes its fee structure in detail. Hedge fund-of-fund or long equity partnership investments by clients of the firm, including with respect to firm-sponsored and non-firm-sponsored alternative funds, also may be subject to an account-level fee, which may be negotiated and which typically is based on client assets under management or advisement, as described in the fund's offering document or the relevant investment management agreement between the firm and the client.

The management and incentive fees charged by private funds sponsored by Brown Advisory and its affiliates are in addition to fees and expenses charged by the underlying funds and investments in which each such fund invests, as applicable, details of which are set forth in the funds' private placement memoranda or offering documents. In addition, management, account-level fees and carried interest allocations are subject to modification, waiver or reduction, at the election of Brown Advisory or its affiliates.

In general, investors in private funds sponsored by Brown Advisory or its affiliates must make a minimum investment in the fund, typically \$100,000, as set forth in the offering documents. However, the minimum investment is subject to waiver at the discretion of Brown Advisory or its affiliates. Additionally, all investors in these funds must meet specific suitability and investor eligibility requirements in order to invest. Specific opportunities may require higher levels of investment. Finally, investors in both affiliated and unaffiliated alternative investments generally bear additional, account-level fees imposed by Brown Advisory in respect of their investments. These account-level fees are charged quarterly and typically are charged based on the value of the alternative investment, as reported to Brown Advisory or the client by the fund in which a client invests. Such account-level fees can be negotiated with a client and may be waived by Brown Advisory for certain clients. As a general rule, valuations of alternative investment funds are updated quarterly and therefore do reflect current market conditions. In addition, investments in funds that in turn invest directly in portfolio companies typically receive an updated valuation only when the portfolio company raises additional funds or adjusts its valuation due to market conditions, later-round investments and other factors.

For both registered and private funds, it is common for different share classes to charge different fees. There is no guarantee that a client will be invested in the lowest share class offered or receive terms as favorable as those received by other clients of the firm. In addition, depending on the circumstances and from time to time, share class or fund minimums (either for private

or mutual funds managed by Brown Advisory or one of its affiliates) are waived or lowered. Examples of these circumstances may include clients that maintain additional accounts or have a long-standing relationship with the firm or employees who are also clients of the firm.

In the case of affiliated pooled investment vehicles, the investors in such vehicles are required to pay all costs and expenses related to the operation of the vehicle. These costs and expenses can include organizational and offering expenses, including, without limitation, legal, accounting, travel, meeting, printing, federal or state securities law filings and other fees and expenses incidental thereto. In addition to the organizational and offering expenses, investors pay all of the operating expenses of such funds, including but not limited to: (i) any sales taxes or other taxes, fees, penalties or government charges of any kind which may be assessed against the funds and all expenses incurred in connection with any tax audit, investigation, settlement or review of the funds; (ii) commissions or brokerage fees or similar charges incurred in connection with the purchase or sale of securities (including any fees payable to third parties and whether or not any such purchase or sale is consummated); (iii) interest on and fees and expenses arising out of all permitted borrowings made by the funds; (iv) all costs and expenses (including legal fees, judgments and amounts paid in defense and settlement) relating to litigation and threatened litigation involving the funds, including, without limitation, settlements of claims and indemnification expenses; (v) expenses incurred in connection with distributions made by the funds; (vi) expenses associated with preparation and distribution of financial statements, tax returns and filings and the funds' (and any qualified custodian's) reports to their investors; (vii) expenses incurred in connection with the purchase, holding, sale or proposed sale of any investment (whether or not consummated); (viii) all fees and expenses attributable to normal and extraordinary investment banking, commercial banking, accounting, third-party administration, auditing, appraisal, legal, custodial, registration services, and valuation services provided to the funds; (ix) premiums for insurance to protect the fund, the general partner of the fund, the officers, directors and members of the general partner and any of their respective partners, members, stockholders, officers, directors, managers, trustees, employees, agents, consultants and affiliates in connection with the activities of the funds; (x) fees and expenses associated with any federal or state securities law filings incurred in connection with the ongoing operations of the funds; (xi) out-of-pocket expenses of members of any advisory committee; (xii) liquidation expenses; (xiii) auditors' expenses; and (xiv) any other reasonable out-of-pocket expenses related to the business of the funds, as determined by the firm in its sole discretion. Each fund's share of the aggregate operating expenses is determined by the firm in a manner it deems equitable.

Private Equity Funds – Firm Line of Credit

Certain affiliates of the firm have the ability to provide a line of credit to private funds sponsored by Brown Advisory Investment Solutions Group LLC ("BAISG") that facilitate investments in private equity managers, hedge fund managers and direct venture capital and private equity investments. The affiliates may determine, in their sole discretion, to extend credit to a private fund; however, they are not under an obligation to extend credit to a private fund and some private funds may participate in the line of credit while other private funds are not given the opportunity to borrow against the line of credit. Private funds sponsored by Brown Advisory are not eligible to participate in the firm line of credit.

Where a line of credit is extended, the lending affiliate receives a fee in the form of interest payments in respect of money loaned to a private fund under the line of credit. This fee is borne by the investors in the fund and is in addition to the other fees payable to BAISG or one of its affiliates as the managing member, general partner or investment adviser to the private fund. Payments made by a private fund to satisfy an interest or maturity payment will decrease the amount of capital in the private fund available for investment and will not produce any returns for the investors. A lending affiliate can modify the maturity date or interest due on a loan at any time in its sole discretion. These actions will disadvantage the private fund and its investors if they cause a fund to forgo an investment opportunity in whole or in part in order to satisfy an interest payment or payment due at term.

In addition, we engage fund administrators and other service providers to perform certain functions for Brown Advisory-sponsored investment funds, including but not limited to fund administration, custody, execution, record keeping, investor correspondence, performance reporting, capital calls and distributions, data collection for various regulatory reporting, and tax filings. These expenses are borne by the investors in the advisory client investment funds.

Brown Advisory and our affiliates, and funds sponsored by Brown Advisory and our affiliates, may engage common service providers, such as administrators, lenders, attorneys, and custodians. In such circumstances, there may be a conflict of interest between the firm and its affiliates, on the one hand, and the investment fund it sponsors, on the other hand, in determining whether to engage such service providers, including the possibility that the firm or its affiliates will favor the engagement or continued engagement of such persons if they receive a benefit from such service providers, such as lower fees or continuity of services, that it would not receive absent the engagement of such service provider by the sponsored funds. In addition, the firm and its personnel, as well as investment funds it sponsors, may have investments in certain service providers. In such cases, the firm may be incentivized to engage the service provider in order to benefit its investment. In certain circumstances, service providers, or their affiliates, charge different rates or have different arrangements for services provided to the firm or its affiliates, including other funds sponsored by the firm and its affiliates, which results in the firm or its affiliates receiving more favorable rates or arrangements with respect to services provided to it by a common service provider than those payable by the advisory client funds. In most cases, the funds' allocable share of the costs and expenses of these service providers will be borne (directly or indirectly) by the funds and their respective investors (and not the firm).

D. Fees Payable in Advance. Brown Advisory charges some clients quarterly in advance. In these cases, Brown Advisory refunds a portion of the fee, prorated on a daily basis, to the client should the contract be cancelled during the billing period.

E. Compensation for Sale of Securities or Other Investment Products. We compensate employees for business development activity, including the attraction or retention of client assets.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Brown Advisory sponsors investment limited partnerships available only to investors who meet specified financial qualifications. Generally, these investors are our advisory clients. Brown

Advisory, its owners, officers, and employees have also invested in these partnerships, some of which provide for performance-based fees in addition to quarterly management fees. Such performance-based fees may create an incentive for the General Partner to favor those accounts over those that provide for asset-based or flat fees. Brown Advisory does not use discretionary investment management authority to invest client funds in Brown Advisory-sponsored partnerships nor does it require any client to invest in Brown Advisory partnerships. Brown Advisory and its affiliates offer alternative investment opportunities with non-affiliated funds to clients who prefer not to invest in Brown Advisory partnerships.

Brown Advisory and its affiliates maintain and enforce written policies and procedures designed to ensure that allocation decisions are made in a manner Brown Advisory and its affiliates believe (i) is consistent with its obligations and fiduciary duties and (ii) that consistently advantage or disadvantage particular clients, regardless of the fee arrangement. In addition, we have adopted trading practices designed to address potential conflicts of interest inherent in proprietary and client discretionary trading, including bunching and allocation.

Notwithstanding the allocation policies of Brown Advisory and its affiliates, the availability, amount, timing, structuring or terms of investments available to particular client accounts with similar investment objectives will differ in certain circumstances. Certain Brown Advisory affiliates from time to time are presented with opportunities to invest in privately offered securities, confidentially marketed securities, initial and secondary offerings and follow-on offerings. Depending on the terms and timing of the transaction, these securities offerings will be allocated only to applicable affiliate-sponsored mutual funds, ETFs, CITs or other pooled investment funds in order to reduce administrative burdens or minimize operational risks or complexities. If more than one fund is eligible to participate in a capacity-constrained securities offering, Brown Advisory's affiliates will allocate the available securities across the funds in a manner it deems to be fair and equitable. Separately managed accounts following the same investment strategy as a participating mutual fund, ETF or CIT will not receive an allocation in certain circumstances. Separately managed accounts will gain exposure to such offerings when the securities begin trading in the public markets. In these cases, separately managed accounts will not receive the benefits of price discounts or other benefits of direct investments, such as reduced or zero brokerage commissions. Allocating such investments to affiliated mutual funds, ETFs, or other pooled investment funds will result in additional fees payable to Brown Advisory or its affiliates, as applicable, and, in certain cases, better performance results. Please also see the disclosure in Item 11.D—Additional Conflicts of Interest.

Collateralized Loans

Clients may elect to use some or all of their separate account assets to collateralize a loan (referred to below as a “credit line loan” or “loan”), provided these clients meet certain eligibility requirements. Specifically, clients will be required to execute separate loan documents with U.S. Bank or another lender (referred to below as the “lender”).

Clients are responsible for independently evaluating if the loan is appropriate for their needs, the lending terms are acceptable, and whether the loan will have potential adverse tax consequences to the client. The decision whether to arrange a loan or draw down on a loan and how loan proceeds are used is not encompassed within the client's advisory relationship with

Brown Advisory. That relationship is governed exclusively by the loan documentation between the client and the lender.

Since a client's separate account or subaccount will be pledged to support any loans extended under the credit line program, clients will not be permitted to withdraw any of the assets in the separate account unless there is a sufficient amount of collateral otherwise supporting the loans (as determined by the lender in its sole discretion).

If a client participates in the credit line program, the client will pay interest and fees to the lender separately and in addition to any separate account fees charged by Brown Advisory, which results in compensation to the lender and not Brown Advisory. The fees and interest rate charged in connection with a credit line loan from U.S. Bank or a different lender of the client's choosing may be higher than that charged by other lenders.

As Brown Advisory is compensated primarily through advisory fees paid on client accounts, we have an incentive for clients to draw down on a credit line loan to meet liquidity needs rather than sell securities in its advisory account, which would reduce Brown Advisory's advisory fee. This presents a conflict of interest when addressing a client's needs for liquidity. Brown Advisory mitigates this conflict by training and supervising personnel to make investment decisions that are in the client's best interest.

In order to preserve sufficient collateral value to support the loan and avoid a margin call that would reduce fee-based account assets, we have an incentive to invest the account in more conservative investment choices, which could result in lower performance in certain market conditions. We mitigate this conflict of interest through policies and supervisory procedures designed to ensure that investment decisions are consistent with the client's investment strategies.

In general, credit line loans extended by U.S. Bank and other lenders are full recourse demand loans and are "margin loans" subject to collateral maintenance requirements. If the required collateral value is not maintained, the lender typically can require a client/borrower to post additional collateral (commonly referred to as a "margin call") or repay part or all of the loan and/or sell securities. With such loans, clients are personally responsible for repaying the credit line loan in full, regardless of the value of the collateral.

Failure to promptly meet a request for additional collateral (a margin call) or repayment or other circumstances (e.g., a rapidly declining market) could cause the lender to liquidate or instruct Brown Advisory to liquidate some or all of the collateral to meet the credit line requirements or to repay all or a portion of the outstanding margin or credit line obligations. It is possible that neither Brown Advisory nor the client will be provided advanced notice of a liquidation or transfer of securities that have been pledged as collateral. Furthermore, it is possible that neither Brown Advisory nor the client is entitled to choose the securities to be liquidated or transferred. Depending on market circumstances, the prices obtained for the securities could be less than favorable.

Any required liquidations may result in adverse tax consequences. Neither Brown Advisory nor the lender provide legal or tax advice. Clients should consult legal and tax advisors regarding the legal and tax implications of margin borrowing and using securities as collateral for a loan.

In the event of a forced liquidation described above, Brown Advisory will not act as investment adviser to the client with respect to the liquidation of securities held in a separate account to meet a credit line loan demand. The lender has the right to protect its own commercial interests and take actions that may adversely affect the management of your account and related performance.

Securities backed financing involves special risks (including, without limitation, being subject to a margin call if certain collateral value requirements are not met) and is not suitable for everyone. For further information, please see the lender's Disclosure Statement. Clients are encouraged to speak to Brown Advisory to the extent they have questions about how their account may be used in connection with a credit line loan and how such arrangement should be taken into consideration when discussing the management of the client's account.

ITEM 7 TYPES OF CLIENTS

Brown Advisory generally has two categories of clients:

Family Office clients generally are families with \$20 million or more in net worth who have complex financial issues and require financial services beyond investment management, such as strategic planning and family governance, cash management, tax organization and analysis, risk management, trust and estate planning and administration, philanthropic consulting, bill-paying and household employee administration, and concierge service analysis.

Family Wealth clients generally are families with \$5 to \$20 million in net worth whose services include some of the above but without the same level of complexity. Brown Advisory generally requires that accounts must hold at least \$5 million in investment assets in order to be accepted for management. We will waive the account minimum depending on the client relationship, client service requirements and other circumstances.

Although Brown Advisory clients are predominantly individuals, their families and family entities, Brown Advisory also advises charitable organizations. Brown Advisory does not directly advise outside pension or profit-sharing plans but provides investment advice to individual clients with respect to the self-directed portion of their retirement plans.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies. Brown Advisory seeks to achieve client investment objectives by allocating among asset classes, choosing affiliated strategies and funds, as well as non-affiliated money managers, monitoring the money managers' performance, and employing certain risk management or other techniques designed to enhance returns. Brown Advisory seeks to diversify the assets in client accounts as its primary risk

management tool. Brown Advisory invests client portfolios in several asset classes, including public and private equities, fixed income, real assets, and hedge funds. Brown Advisory's client portfolios are intended to reflect the client's risk and return objectives, time frame, liquidity constraints and other applicable limitations.

Brown Advisory develops asset allocation strategies based on its independent research and its understanding of current economic conditions. Brown Advisory uses analytic tools from sources such as Morningstar and Bloomberg and commentary and analysis from various financial institutions.

Brown Advisory uses both affiliated and non-affiliated managers to invest various portions of a portfolio in accordance with a client's asset allocation. Investments may be in the United States, developed countries, or emerging markets, and the allocation among markets will change from time to time depending on underlying economic conditions and perceived risks and opportunities. Portfolios may include investments in companies of all sizes and in any sector, public and private, including investments in energy, natural resources, distressed securities, real estate, venture capital and buy-out, and other private equity, as well as any other business sectors or types of investments. In some cases, managers may invest in futures contracts, derivative instruments, duration investments, and other securities and financial instruments and may employ hedging or other non-traditional investing techniques, such as long and short equity investing, relative value and event driven arbitrage strategies, distressed securities investing, trading and short selling strategies, opportunistic investing in global equity and fixed income investing, and specialized equity investing.

Brown Advisory chooses managers for their expertise in particular investment strategies. Brown Advisory seeks to select managers that have demonstrated the ability to achieve risk adjusted rates of return greater than those available through traditional public equity investing and puts particular emphasis on managers who engage in extensive research and fundamental analysis.

In selecting managers, Brown Advisory considers a number of factors, including without limitation the following:

- Strong consistent historical returns
- Well-articulated and understandable investment strategies
- Reasonable expenses
- Tax efficiency
- Transparency
- Manageable downside risk and
- A strong cohesive team that is aligned with investor interests.

Brown Advisory generally compares the historical investment results of comparable managers, evaluates written information supplied by the money managers and others, and conducts interviews when possible with unaffiliated firms who manage money for clients.

We provide our clients with access to Institutional strategies sponsored by our affiliates as well as to outside managers through our affiliated Investment Solutions Group. This service provides

clients greater access to a wider range of investing opportunities and asset classes, including international equities, emerging-markets equities, global fixed income, high yield fixed income, private investments, commodities, hedge funds, real estate, and sustainable investing solutions across a variety of asset classes. By combining our external manager research process with our extensive in-house resources, we enhance our customized portfolio management capabilities for clients.

The Investment Solutions Group provides clients with access to external investment management capabilities. To establish the list of managers, the Investment Solutions Group:

- Follows a disciplined process of research, selecting and monitoring investment managers;
- Identifies strategies and managers that it believes has the potential to add value to a client's total portfolio;
- Are proactive in identifying, researching and executing opportunities around the globe; and
- Leverage the Investment Solution Group's network to access ideas and investing opportunities. Its network includes but is not limited to attorneys and accountants, industry connections, foundations and endowments, national and local government officials, research universities, board directors and members, executives and business owners, consultants, investment bankers, venture capital and private equity firms, and national and local decision makers.

Brown Advisory and its affiliates sponsor private funds that provide exposure to alternative investments and managers, including private equity, venture capital, private credit real estate, global macro and event-driven strategies. In the fund-of-fund business, the firm focuses on investing with established, performance-oriented managers and firms.

For many clients, we offer what we term "strategic advisory services," which we define as the wide range of services to assist with tax planning, intergenerational wealth transfer, philanthropic planning, family business advisory, and wealth structuring. Many of our strategic advisors are current or former attorneys or certified professional accountants who previously specialized in trust and estate, tax, accounting or non-profit matters and are experienced in working cooperatively with our clients' attorneys, accountants, executive and family members, board and committee members, staff, portfolio managers and account administrators to deliver clients an integrated solution. Our strategic advisors attend regular client meetings, provide proactive anticipatory advice on investment and tax issues, and coordinate activity with a client's legal counsel, accountants and other outside advisors. They communicate regularly with clients and continually review their overall situations. As we actively manage a client's portfolio, we will evaluate alongside the client whether investment decisions are appropriate and in their best interest. At all times we seek to manage clients' assets and cash flow needs according to their investment, risk and individual needs and objectives. Brown Advisory charges no additional fee for these services.

As part of our strategic advisory services, from time to time we may assist clients with various types of family advisory or family office services. Such services include, but are not limited to, guidance with charitable and/or gift planning and philanthropic activities, as well as assistance

with budgeting and/or administration issues or tasks related to a family office or family foundation.

Brown Advisory utilizes artificial intelligence (“AI”)–enabled applications and tools to support certain aspects of its investment and business operations. These tools include third-party technology solutions developed for Brown Advisory, as well as commercially available AI applications. Brown Advisory also has developed certain proprietary AI-enabled applications designed to enhance internal workflows and operational efficiency. Some of these tools incorporate non-proprietary large language models and may be configured to query databases containing publicly available information, licensed data, and Brown Advisory’s proprietary research and other internal information in order to generate summaries, workflow enhancements, or analytical outputs.

Applications used in connection with investment research are designed to enhance the efficiency and organization of the research process but are not intended to replace Brown Advisory’s fundamental, bottom-up investment approach, which is conducted by teams of investment professionals who exercise independent judgment.

Brown Advisory’s use of AI tools is subject to risks, including the possibility that the underlying data may be incomplete or inaccurate, that outputs may be erroneous, misleading, or biased, or that confidential information could be exposed through cybersecurity incidents or unauthorized access. Brown Advisory has adopted policies and procedures governing the evaluation, testing, oversight, data protection, and appropriate use of AI-enabled tools; however, there can be no assurance that such measures will fully eliminate the risks associated with the use of these technologies.

B. Material Risks Related to Investment Strategies. Brown Advisory recommends investment vehicles that are primarily mutual funds, ETFs and private placement vehicles. The subscription materials for each private placement vehicle describe its associated risks.

Loss of Capital

All securities investments involve the risk of the loss of capital. The market value of a security may increase or decrease over time. These fluctuations can cause a security to be worth less than the price originally paid for it or less than it was worth at an earlier time. Market risk may affect a single issuer, an entire industry, or the market as a whole. Although Brown Advisory believes that its investment program will moderate this risk to some degree through a diversification of asset classes, investment strategies, and multiple investment managers, Brown Advisory does not represent or guarantee that the program will be successful. A client’s portfolio may include the use of investment managers who use such investment techniques as limited diversification, short sales, leverage, and uncovered option transactions, which practices can, in certain circumstances, maximize the adverse impact on invested assets and can result in a loss of the entire investment. To the extent the investment managers pursue investment opportunities in undervalued securities and “special situations,” there is an inherent uncertainty in the appraisal of future values and a risk of loss of capital. Provided below is a description of risks to which an investor is exposed depending on their portfolio holdings. Depending on the investment strategies employed, different risks will be more applicable. Please note that the below risks do not purport to be a complete explanation of all risks involved. Potential investors should read the mutual fund prospectus or

private placement memorandum in its entirety before investing in any mutual funds or private funds sponsored by Brown Advisory or one of its affiliates.

Use of Leverage

Some managers may use leverage by purchasing instruments with the use of borrowed funds, or by trading options or futures contracts. Although such techniques increase the opportunity for a higher return on investment, they also increase the risk of loss.

Increased Costs of Frequent Trading

Some of the strategies employed by the investment managers may involve frequent trading. Portfolio turnover and brokerage commission expenses may therefore significantly exceed those of other investment entities of comparable size.

Volatility of Financial Markets

Financial markets are occasionally subject to material changes in price volatility. Spikes in price volatility are typically commensurate with unexpected changes to macroeconomic or geopolitical conditions or other idiosyncratic events. Brown Advisory cannot predict the timing of these events. Heightened levels of volatility could disrupt Brown Advisory's investment strategy.

Foreign Investments

Foreign investments involve certain special risks, including risks associated with political and economic developments, higher operating expenses, foreign withholding and other taxes that may reduce investment return, possibility of expropriation of assets, reduced availability of public information concerning issuers and the fact that foreign issuers are not generally subject to uniform accounting, auditing and financial reporting standards or to other regulatory practices and requirements comparable to those applicable to U.S. issuers. Other risks include those resulting from fluctuations in currency exchange rates, revaluation of currencies, and the possible imposition of currency exchange blockages. Securities of foreign issuers may be less liquid and their prices more volatile than those of securities of comparable domestic issuers. Transaction costs for foreign securities are generally higher than in the United States. Exchange controls and tax or other regulations may affect the value and marketability of, and the returns derived from, the foreign investments.

Emerging Markets Risks

Brown Advisory invests assets in securities issued by emerging markets companies. Securities of many issuers in emerging markets may be more volatile and less liquid than securities of domestic issuers and the risks of investing in foreign securities are often greater for investments in emerging markets. These risks include the possibility of: expropriation, nationalization, confiscatory taxation, imposition of foreign taxes on income and gains from securities such as imposition of dividend or interest withholding, foreign exchange controls, currency blockages or transfer restrictions, military coups or other adverse political or economic developments, default in foreign government securities, less government supervision and regulation of securities exchanges, brokers and listed companies, and difficulty of enforcing obligations in other nations. In addition, investments in emerging market securities involve special considerations due to more limited information, higher brokerage, custodial and other costs, different accounting standards and thinner trading markets. Communication between the United States and emerging markets may be less reliable than within the United States, increasing the

risk of delayed settlements of portfolio transactions or loss of certificates for portfolio securities.

Currency and Derivatives Risks

A decline in the value of a foreign currency relative to the U.S. dollar will reduce the value of securities denominated in that foreign currency.

Futures, options, swaps, and forward foreign currency exchange contracts are forms of derivatives. Brown Advisory may use derivatives to gain exposure to a market sector or country, to invest cash temporarily in a fund's primary asset class, or to adjust the duration of a fixed income portfolio. Brown Advisory also may use derivatives to hedge a portfolio's currency or interest rate risk. Brown Advisory's use of derivatives presents several risks:

- the risk that Brown Advisory, the manager or the fund will not correctly anticipate the direction of movements in interest rates, securities prices, and foreign currency exchange rates;
- the imperfect correlation between the price of a derivative and that of the underlying securities, interest rates, or currencies being hedged;
- the possible absence of a liquid secondary market for a particular derivative;
- the risk that the other parties to a derivatives contract may fail to meet their obligations (credit risk); and
- the risk that adverse price movements in a derivative can result in a loss greater than the fund's initial investment in the derivative (in some cases, the potential loss is unlimited).

Short Selling

Some underlying investment managers may engage in selling securities short. Short selling exposes the seller to unlimited risk due to the lack of an upper limit on the price to which a security may rise.

Despite the heavy volume of trading in securities and futures, the markets for some securities and futures have limited liquidity and depth. This lack of depth could disadvantage an investor, both in the realization of the prices which are quoted and in the execution of orders at desired prices.

Investment in Non-Marketable Securities

Managers of private equity, venture capital, and some real asset funds may invest capital in non-marketable securities as provided in each of their governing instruments. As a result, the investment manager may have to hold such security despite an adverse price movement.

Fund of Funds

Unregistered investment funds offered by Brown Advisory and its affiliates to provide exposure to alternative investments typically are formed for the purpose of investing in underlying, externally managed funds. Investors in firm-sponsored funds will not be limited partners of any underlying funds, will have no direct interest in any underlying funds, will have no voting rights in any underlying funds, will not be party to any underlying fund's governing documents and may

not bring an action for breach of any such governing documents. Returns, if any, to investors in such sponsored funds sponsored by us or our affiliates will be lower than returns, if any, to direct investors in the underlying funds as a result of the fees and expenses charged by the firm-sponsored funds. In addition, underlying funds in which firm-sponsored funds invest may take direct investors. Therefore an investment in a fund offered by Brown Advisory or one of its affiliates may not be necessary to participate in one or more underlying funds.

Successor Funds and Previous Investments

The firm and its affiliates typically are not restricted from investing in, sponsoring, managing or advising investment vehicles which in some cases may compete with our existing funds. In addition, certain pooled investment vehicles sponsored by Brown Advisory and its affiliates may invest in underlying funds and investments, and in the affiliates and predecessor funds offered by such underlying funds and investments, on terms and conditions that may be more favorable than those on which its other advisory clients may invest. These earlier investments may have been on terms and conditions that are more favorable than the terms and conditions offered to advisory client funds making subsequent investments or investments in later vintage funds offered by the underlying manager. In addition, the firm and its affiliates may give advice and recommend the purchase of securities and other investments to other funds and clients it manages which may differ from the advice given to or the purchases and sales made on behalf of its other advisory clients, even though their investment strategies may be the same or similar.

Cyber Security Risk

The firm's technology systems, and those of our critical third parties such as administrators, custodians and auditors, may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, floods, tornadoes, hurricanes and earthquakes. Although we have implemented various measures to manage risks relating to these types of events, if our systems are compromised, become inoperable or cease to function properly, the firm and its affected advisory clients may have to make a significant investment to fix or replace them. The failure of these systems and/or of a disaster recovery plan for any reason could cause a significant interruption in the operations of the firm and its clients and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to clients. Such a failure could harm a person's reputation and subject the firm to legal claims, regulatory finds and impair business and financial performance.

Regulatory Oversight

Notwithstanding that Brown Advisory is registered as an investment adviser under the Investment Advisers Act of 1940 (the "Advisers Act"), and that the firm-sponsored investment vehicles advised by Brown Advisory may be considered similar in some ways to an investment company, such investment vehicles are not required and do not intend to register as such under the Investment Company Act of 1940 and, accordingly, investors are not afforded by regulation under this act.

Sanctions Risk

Economic sanctions laws in the United States and other jurisdictions prohibit Brown Advisory from transacting with or in certain countries, with certain individuals and companies and dealing in certain securities and instruments. These types of sanctions restrict Brown Advisory's investment activities and preclude us from trading in certain securities, including those securities subject to sanctions that are held in client portfolios. Any failure by Brown Advisory to comply with applicable sanctions could result in significant liability and reputational damage to the firm. The United States and various other countries imposed broad sanctions in response to the Russian Federation's invasion of Ukraine. These sanctions are designed to isolate Russia from the global financial system. Brown Advisory's compliance with these sanctions laws means that client portfolios will experience a loss to the extent that securities and instruments subject to sanctions are held in the portfolios. In addition, these sanctions are likely to have a material adverse effect on companies whose businesses are linked to Russia. Client portfolios with exposure to these companies will experience a loss in the near term.

Data and Information Risk

Although Brown Advisory obtains data and information from third party sources that it considers to be reliable, Brown Advisory does not warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. Brown Advisory does not make any express or implied warranties of any kind with respect to such data.

Market Conditions

An investment strategy's performance can be affected by deterioration in public markets and by market events, such as the onset of the credit crisis in the summer of 2007, the Great Financial Crisis and the COVID-19 pandemic. Declining economic conditions may result in weak financial results in investments. Conditions such as financial market volatility, illiquidity and/or decline, a generally unstable economic environment (including as a result of a slowdown in economic growth and/or changes in interest rates or foreign exchange rates) and/or a deterioration in the capital markets may negatively impact the availability of attractive investment opportunities for our strategies, our ability to make investments, the performance and/or valuation of investments, and/or a the ability to dispose of investments. Such conditions could result in substantial or total losses for certain investments. In an economic slowdown, holding periods may also become longer. The value of publicly traded securities may be volatile and difficult to sell as a block.

Uncertainty around future political, legislative or administrative developments may cause volatility in the U.S., as well as global economies and financial markets more generally, which in turn may have an adverse effect on the values of investments and on our ability to execute on our investment strategies.

Inflation Risk; Bank Exposure

Inflation risk is the risk that inflation diminishes the value of an investment over time. Over time, the prices of resources and end-user products generally increase at the rate of inflation which at times can outpace the expected return on an investment and cause the value of the investment to fall or underperform even if it generates positive income on an absolute basis. Although inflation risk is particularly acute for bonds and other fixed income investments, it

can also impact investments in equity securities and other instruments where the underlying issuer is sensitive to inflation risk. For example, issuers in manufacturing industries that rely on suppliers are directly impacted by inflation in the form of increased cost of supplies needed to manufacture their products. This can result in lower margins or losses, which in turn can cause losses in the value of the company's stock.

In addition, issuers such as banks and financial institutions that hold fixed income instruments can be negatively impacted by periods of inflation, which can reduce the value of such holdings and result in a loss of confidence in the institution. In such event, loss of depositor confidence can lead to panic and ultimately could result in the affected bank becoming insolvent or facing bankruptcy. In the event of a bank insolvency or bankruptcy, (i) equity investors in the bank or its parent entity will lose all or nearly all of the value of their investment, (ii) debt investors in the bank or its parent entity will suffer losses of all or a portion of their investment, and (iii) depositors could lose up to the amount of their uninsured deposits with the bank. Conditions causing such losses can develop rapidly and without warning, making it impracticable or impossible to withdraw funds from or dispose of investments in such institutions before realizing losses. This risk is particularly applicable to investments and deposits held in regional banks and banks that are not systematically important to the U.S. economy.

More generally, periods of inflation, which are difficult to predict or hedge, can have a negative impact on the overall equity and fixed income markets, which can lead to portfolio losses.

Valuation Risk

There is significant uncertainty as to the valuation of illiquid and other difficult-to-value assets and investments in client portfolios, including private equity and alternative investments, promissory notes and other debt instruments and real assets. Brown Advisory has adopted a pricing policy designed to provide valuation guidelines for such assets and investments.

Valuation procedures for illiquid and other difficult-to-value assets and investments held in fee-based client accounts are more rigorous than valuation procedures for illiquid and difficult-to-value assets and investments in client accounts that are not subject to asset-based fees.

Given the inherent subjectivity of fair value processes, the valuations of illiquid and difficult-to-value assets and investments may not reflect the values that could be realized by a client. In addition, Brown Advisory may not have access to current information or all material information relevant to a valuation analysis and it may not be possible to consistently obtain up-to-date valuations. In certain cases, Brown Advisory relies on valuation statements from external fund managers and other third parties. Brown Advisory does not have the ability to assess the accuracy of such valuations. As a result, valuations may be inaccurate or not reflective of current valuations resulting in fee calculations that may be higher or lower than they would be if calculated on current, accurate valuations. In certain circumstances, valuation techniques may need to be modified in order to capture what Brown Advisory believes is current fair value. Finally, performance calculations for clients who hold alternative and difficult-to-value assets and investments will be inaccurate to the extent they rely on valuations that are not current or accurate.

Sustainable Investing Risk

Sustainable investing risk is the risk that a strategy managed to explicitly consider sustainable investing criteria could underperform compared to similar strategies that do not use sustainable investing criteria. Sustainable investing strategies may forego opportunities to buy certain securities when it might otherwise be advantageous to do so or may sell securities for sustainable investing-related reasons when it might be otherwise disadvantageous for it to do so. Sustainable investing strategies may also focus on particular investment themes, which presents increased risk over a more diversified portfolio by focusing investment choices within specific sectors that may or may not perform as well as other industry sectors. There is a risk that the companies selected for an sustainable investing strategy may not perform as expected in addressing sustainable investing considerations. A company's sustainability performance could vary over time, which could cause the strategy to fail to comply with sustainable investing objectives. Interpretations of sustainable investing criteria, and therefore our investment decisions, may vary over time or may be inconsistently applied. In making investment decisions, Brown Advisory relies on information, data and value judgments from its internal research teams as well as third party data providers that could be incomplete or erroneous.

Investing on the basis of sustainable investing criteria is qualitative and subjective by nature, and there can be no assurance that the process utilized by Brown Advisory will reflect the beliefs or values of any particular client. The data informing this process is derived from a variety of sources, including the companies themselves and third-party sources. The data and qualitative information are inherently subject to interpretation, restatement, delay and omission outside of Brown Advisory's control.

Investment Company and ETF Risk

Investments in open-end and closed-end investment companies, including ETFs (which may, in turn, invest in bonds and other financial vehicles), involve substantially the same risks as investing directly in the instruments held by these entities. However, the investment involves duplication of certain fees and expenses. By investing in an investment company or ETF, the strategy becomes a shareholder of that fund. As a result, investors in a strategy that invests in ETFs or an open-end or closed-end investment company are indirectly subject to the fees and expenses of the individual ETFs or funds. These fees and expenses are in addition to the fees and expenses that investors in the strategy directly bear in connection with the strategy's own operations. If the investment company or ETF fails to achieve its investment objective, the strategy's investment in the fund adversely affect its performance. In addition, because ETFs and many closed-end funds are listed on national stock exchanges and are traded like stocks listed on an exchange, (1) the strategy may acquire or liquidate ETF or closed-end fund shares at a discount or premium to their NAV, and (2) the strategy may incur additional costs since ETFs often trade at a bid-ask spread, and are thus subject to brokerage and other trading costs. Since the value of ETF shares depends on the demand in the market, we may not be able to liquidate the holdings at the most optimal time, adversely affecting performance.

REIT AND REAL ESTATE RISK

The value of a strategy's investments in real estate investment trusts ("REITs") may change in response to changes in the real estate market. A strategy's investments in REITs may subject it to the following additional risks: declines in the value of real estate, changes in interest rates,

lack of available mortgage funds or other limits on obtaining capital and financing, overbuilding, extended vacancies of properties, increases in property taxes and operating expenses, changes in zoning laws and regulations, casualty or condemnation losses, and tax consequences of the failure of a REIT to comply with tax law requirements. A strategy will bear a proportionate share of the REIT's ongoing operating fees and expenses, which may include management, operating and administrative expenses.

THE FOREGOING RISKS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH OUR INVESTMENT PROGRAM. PROSPECTIVE CLIENTS AND INVESTORS SHOULD READ THIS BROCHURE AND ANY APPLICABLE OFFERING MATERIALS IN THEIR ENTIRETY BEFORE MAKING ANY INVESTMENT DECISIONS.

C. **Risks Associated with Types of Securities that are Primarily Recommended.** See *Item 8.B.*

ITEM 9 DISCIPLINARY INFORMATION

Brown Advisory has incurred no disciplinary events or proceedings to date.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status

Brown Advisory is not registered as a broker-dealer.

B. Futures Commission-Merchant, Commodity Pool Operator, Commodity Trading Advisor

Brown Advisory is not registered as a commodity pool operator or commodity trading adviser.

C. Related Persons

Brown Advisory Group Holdings LLC ("BAGH") is the parent company Brown Advisory Management LLC ("BAM") and BAI. BAM is a holding company that serves as the parent company to several subsidiaries. BAI serves as the manager of BAGH and the managing member of BAM. Brown Advisory is a wholly-owned subsidiary of BAI.

Affiliations with Broker-Dealers and other Investment Advisers

Brown Advisory is an affiliate of BALLC, an SEC registered investment adviser and a wholly owned subsidiary of BAM. BALLC is eligible to conduct certain activities with permitted types of clients and registerable activities in Ontario, Quebec, Nova Scotia, and New Brunswick in reliance on the International Adviser Exemption. BALLC serves as the investment adviser to affiliated mutual funds, ETFs, CITs, and Ireland-domiciled UCITS funds. BALLC also serves as the managing member of a private fund that invests in public and private securities.

Brown Advisory is affiliated with Brown Advisory Ltd., a UK-based investment adviser which is authorized and regulated by the UK Financial Conduct Authority ("FCA"). It is a wholly owned subsidiary of BAM. Brown Advisory Ltd. is also an SEC-registered investment adviser.

BAISG is an SEC registered investment adviser and wholly owned subsidiary of BAM, specializing in alternative investments and offering both discretionary and non-discretionary investment advice primarily to private investment funds, individuals and institutional separate accounts. BAISG is registered with the U.S. Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator and as a commodity trading advisor and has a membership with the National Futures Association in connection with such CFTC registration. BAISG is affiliated through common ownership with NextGen Venture Partners LLC (“NextGen”), which acts as a relying adviser to BAISG with respect to certain funds it manages. NextGen focuses on direct investing in early to mid-stage companies.

In November 2025, Brown Advisory Limited and Brown Advisory International Partners LLC acquired Marylebone, a London-based investment management firm specializing in private market fund-of-funds, venture capital, and hedge fund-of-funds. Marylebone operates as an affiliated investment adviser under the Brown Advisory umbrella and retains its designation as an Alternative Investment Fund Manager (AIFM) approved by the UK Financial Conduct Authority.

Affiliations with Investment Companies or Other Pooled Investment Vehicles

Brown Advisory has arrangements that are material to its advisory business with affiliated investment companies. Its affiliate, BALLC, serves as the investment adviser to affiliated mutual funds, ETFs, CITs, investment trusts, and Ireland-domiciled UCITS funds. Brown Advisory also serves as the managing member of private funds that invest in public and private securities.

Brown Advisory (Ireland) Limited is authorized by the Central Bank of Ireland to operate as a management company for the purposes of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations.

BALLC, BAISG, and NextGen provide investment advisory services to private pooled investment vehicles. Meritage Capital, LLC provides investment advisory services to private pooled investment vehicles and investment advisory and sub-advisory services to investment companies.

Affiliations with Banking or Thrift Institutions

Brown Advisory is affiliated with Brown Investment Advisory & Trust Company (“BIATC”) and Brown Advisory Trust Company of Delaware, LLC (“BATCDE”).

BIATC is a non-depository trust company that is subject to regulatory oversight by the Office of the Commissioner of Financial Regulation of the State of Maryland. BIATC is a wholly owned subsidiary of BAI and bears certain administrative and operating expenses on behalf of its affiliates. BATCDE is a limited-purpose trust company that is subject to regulatory oversight by the Office of the State Bank Commissioner of the State of Delaware. BATCDE is a wholly owned subsidiary of BAM. BALLC provides investment management services to trust clients of BATCDE.

Affiliations with Sponsors or Syndicators of Limited Partnerships

BALLC, BAISG, and NextGen serve as the general partner, managing member, and investment manager of private vehicles and limited partnerships formed to facilitate investment opportunities for clients. These vehicles may invest in both public and private equity securities.

One of our affiliates maintains an ownership interest in Blueprint Local Investments LLC (“Blueprint Local Investments”). Blueprint Local Investments was founded as a platform to launch pooled investment vehicles intended to qualify as “qualified opportunity funds,” as defined under the U.S. Tax Cuts and Jobs Act of 2017. Blueprint Local Investments is exempt from registration with the SEC as an “Exempt Reporting Adviser”. Brown Advisory receives some financial benefit, including a share of the management fees and any carried interest that may accrue, as a result of this joint venture relationship.

We and our affiliates may solicit clients to invest in these vehicles. In addition we or an affiliate may receive management fees and carried interest allocations for investments made in these vehicles.

D. Material Conflicts of Interests Relating to Other Investment Advisers

Brown Advisory and its affiliates recommend to their clients investments in certain unaffiliated advisers. In certain circumstances, Brown Advisory or one of its affiliates receives a financial benefit in the form of a share of the management fee and carried interest allocations, as described in the applicable offering documents. Brown Advisory and its affiliates are incentivized to allocate assets to unaffiliated advisers that are themselves (or whose principals and employees are) clients of Brown Advisory or its affiliates. We address this conflict through our allocation policies.

Brown Advisory and its affiliates receive compensation in connection with the management of our sponsored private investment funds and mutual funds advised by BALLC and other Brown Advisory affiliates. Such compensation includes management fees, carried interest, incentive allocations and account-level advisory fees. Brown Advisory and its affiliates have an incentive to recommend affiliated private investment funds and affiliated mutual funds over externally-managed funds for which we do not receive any compensation. In addition, Brown Advisory and its affiliates are incentivized to recommend that our clients invest in affiliated private investment funds that impose higher fees relative to other affiliated private funds.

Affiliates of Brown Advisory may offer clients more competitive fee schedules and a broader investment platform. In addition, our affiliates have the ability to select brokers and other counterparties to be used for client transactions and to negotiate commission rates and other monies paid by clients. We attempt to address this conflict primarily through disclosure in this brochure and in the brochures of our affiliated invested advisers.

Brown Advisory and its principals and employees may receive notice of, or offers to participate in, investment opportunities offered by unaffiliated advisers and their affiliates. Such opportunities will generally not be required to be offered to clients unless a determination has been made that any such opportunity is suitable for certain clients.

The employees and personnel of Brown Advisory and its affiliates may serve on the boards of directors of portfolio companies. Serving in such capacity may give rise to conflicts to the extent that an employee's fiduciary duties to the portfolio company may conflict with the interests of a client.

Brown Advisory and its affiliates are not restricted in investing in, sponsoring, managing or advising other investment vehicles which in some cases may in some cases compete for investments with other affiliated funds. In addition, certain affiliated funds may invest in portfolio companies and other funds on terms and conditions that may be more favorable than those on which other affiliated funds have invested. Affiliated funds may give advice and recommend the purchase and sale of investments that may differ from the advice given to other funds and clients.

An affiliate of the firm offers an investment program to qualified clients and other investors with whom the firm or its affiliates has a relationship to invest in venture capital investments. Typically, these investment opportunities are offered as limited investment opportunities in growth-stage private companies. Eligible clients and investors elect to participate in this program at their own discretion by committing to invest at least \$25,000 in each investment opportunity. Participants in the investment program receive a priority allocation to the investments offered under this program and maintain investment discretion over any investments made. In order to remain eligible to participate in this investment program, participants only may decline to invest in two sequential investment opportunities presented. If an investor declines to invest in more than two sequential investment opportunities in the program, the investor is no longer eligible to participate in future investments. This program requirement is subject to waiver by the affiliated program sponsor. Brown Advisory colleagues and investment professionals participate in this program and receive a priority allocation vis a vis other clients and investors who do not participate in the program. Allocations made to Brown Advisory colleagues and investment professionals under this program reduce the amount available for investment by the clients of the firm and its affiliates.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

A. Code of Ethics. Brown Advisory is committed to maintaining the highest standards of professional conduct and ethics to discharge our legal obligations to our clients, to protect our business reputation, and to avoid even the appearance of impropriety in our investment activities on behalf of clients. While we strive to avoid conflicts, we are cognizant that conflicts will nevertheless arise, and it is our policy to fully and fairly disclose known material conflicts to our clients.

Our Code of Ethics details certain minimum expectations that we have for our employees. All personnel, regardless of role, are expected to conduct the firm's business in full compliance with both the letter and the spirit of the law and any other policies and procedures that may be applicable. On an annual basis, we require that each employee certify in writing that he or she has read, understands and complies with our Code of Ethics. Any violations regarding the Code of Ethics must be brought to the attention of the Chief Compliance Officer of Brown Advisory. If it is determined that an employee has violated the Code of Ethics, we will take such remedial

action as is deemed appropriate. Sanctions will vary but may include censure, forfeiture of profits, limitation or prohibition of personal trading, and termination of employment.

Brown Advisory will provide a copy of our Code of Ethics to any client or prospective client upon request. We will provide clients with a copy of our complete Code of Ethics upon request. Clients may request a copy by contacting us at the address, telephone number or email on the cover page of this document.

Personal Trading

Because our employees should have an opportunity to develop investment programs for themselves and their families, our Code of Ethics does not prohibit personal trading by employees. As a result, we, our affiliates, and related personnel may purchase or sell the same or similar securities for our own accounts that we purchase, sell, or recommend for client accounts.

Risks and conflicts that could arise as a result include but are not limited to:

- Employees engage in unethical behavior.
- Employees misuse material nonpublic information, including knowledge of upcoming client transactions for their own benefit
- Employees select investments for themselves that are also suitable for clients or recommend in which they have a personal interest.
- Clients receive less favorable prices than employees transacting in the same securities.
- Abusive trading on the part of our advisory employees, including market timing.

While employees are permitted to trade within their own brokerage accounts, we have policies and procedures in place designed to ensure that their personal trading does not violate our fiduciary obligations to clients. Our Code of Ethics sets forth standards of conduct expected of employees and addresses conflicts that arise from personal trading by employees. It provides policies and procedures designed to ensure that employees conduct their personal securities transactions in a manner that complies with the securities laws, rules and regulations. In addition, it sets forth controls designed to avoid actual or potential conflicts of interest between clients and our employees.

B. Participation or Interest in Client Transactions. We, our affiliates or related personnel may recommend to clients, or purchase or sell for client accounts, securities in which we, our affiliates or related personnel have a material financial interest. These include situations in which we, our affiliates or related personnel act as general partner in a partnership in which we solicit client investments or act as an investment adviser to an investment company or fund that we recommend to clients.

C. Investing in Securities Recommended to Clients. Brown Advisory and its related persons will sometimes simultaneously engage in the purchase or sale of certain investments that are also being traded for clients. To achieve the desired level of diversification, client portfolios include mutual funds, private funds and managed accounts, in addition to direct investments in ETFs, closed end mutual funds, and stocks of broadly diversified holding companies. Brown Advisory's related persons frequently invest alongside and in line with client

portfolios and are included in the aggregation process as described in *Item 12: Brokerage Practices*.

D. Cross Trades. Brown Advisory will occasionally direct a cross trade of securities, whereby Brown Advisory arranges for one client account or pooled investment fund managed by Brown Advisory or one of its affiliates to purchase securities directly from another client or fund, only if we determine that (1) it is in the best interest of the clients and (2) no client will be disadvantaged by the transaction.

D. Additional Conflicts of Interest. In addition to the foregoing, we face other conflicts of interest including:

- As a result of differences in client objectives, strategies and risk tolerances, Brown Advisory and its affiliates may give different investment advice or make different recommendations to clients that are authorized to invest in the same securities. In addition, investment advice given to clients may differ between our affiliates and from portfolio manager to portfolio manager.
- Certain of our service providers (including investment advisers, accountants, administrators, custodians, lenders, bankers, attorneys and independent directors) provide goods or services to, or have business, personal, financial or other relationships with Brown Advisory and its affiliates. We have adopted policies designed to ensure that service providers are evaluated and selected based on the quality of the services they provide.
- Directors, officers and employees of Brown Advisory and its affiliates may serve on the board of directors or hold another senior position with a company in which we make an investment on behalf of our clients. In such cases, the investment opportunity available to clients may be limited or wholly restricted.

In allocating limited investment opportunities, Brown Advisory and its affiliates have an incentive to allocate opportunities to larger clients, clients with whom we would like to develop a new relationship, and clients paying a higher fee. We have adopted allocation policies designed to ensure a fair and equitable allocation of limited investment opportunities while preserving our ability to account for a range of considerations in making such determinations.

Brown Advisory or its personnel or affiliates are presented with opportunities to invest in various alternative investments where the amount available for investment is limited or fixed and client demand exceeds the amount available. Not all such opportunities are made broadly available across Brown Advisory clients or funds. In some cases, opportunities are available only to existing investors of a third party sponsor or manager, or to investors with an established investment history or contractual allocation rights with that sponsor; in those cases, Brown Advisory may determine it is neither feasible nor appropriate to make the opportunity available more broadly, and the allocation may be limited to those eligible investors. Further, certain investments may be sourced for specific clients and, in those cases, Brown Advisory may restrict participation to the clients for whom the opportunity was sourced. In addition, Brown Advisory and its affiliates may elect to exclude clients and other investors who do not pay an account-level fee (e.g., certain private equity-only accounts).

When a limited capacity opportunity is appropriate for broader consideration, Brown Advisory's Chief Investment Officer and other senior investment professionals (the "Allocation Committee") - or a delegated subcommittee chaired by the Chief Investment Officer - review the opportunity and determine whether, and in what proportion, to allocate capacity among (i) Private Alternative Funds, (ii) certain clients that share characteristics with those funds (e.g., ability to close quickly, designated pool of capital for private investments, high degree of sophistication), and (iii) Brown Advisory colleagues, clients and potential investors who have historically and programmatically participated in alternative investments by sourcing, evaluating or otherwise facilitating access to investments. Allocations among these groups may be pro rata or non pro rata depending on eligibility, suitability, minimum investment sizes, strategic considerations, prior participation and the nature of the investment; the reviewing body is not required to allocate to all three groups or to allocate on a pro rata basis.

To the extent capacity remains after the initial allocation amongst the three preliminary groups, the Allocation Committee (or its subcommittee) evaluates other prospective investors based on suitability factors, such as investment objectives, risk profile and diversification needs and, if demand still exceeds capacity, may consider additional objective criteria (for example, relationship size and the nature of the client's relationship with Brown Advisory, including whether the client pays an account level fee). Where relevant, the allocation methods or preferences of the underlying manager are also considered. If demand continues to exceed capacity after applying these factors, Brown Advisory may allocate the opportunity using a randomization algorithm or another approach that the Allocation Committee deems fair and equitable. Brown Advisory maintains records of allocation decisions in accordance with its record retention policies.

Allocations for limited capacity opportunities may include Brown Advisory colleagues (including employees, officers and directors) as described above, which may reduce the capacity available to other clients.

In addition to the foregoing, we employ the following policies and procedures to address potential conflicts and protect and promote the interests of clients:

- Trading practices designed to address potential conflicts of interest inherent in proprietary and client discretionary trading, including bunching and pro-rata allocation.
- To further protect and promote the interests of clients, the Board of Directors of BAI has established a Corporate Governance and Conflicts Committee that assists it in its oversight of certain material conflicts of interest.
- If we enter into a transaction on behalf of our clients that presents a material or conflict of interest, we have policies in place requiring that the conflict is disclosed to the client or otherwise mitigated prior to the consummation of such transaction.
- Employees must comply with our policy on the handling and use of material non-public information. Employees are reminded that they may not purchase or sell, or recommend the purchase or sale, of a security for any account while they are in possession of material non-public information.
- Employees are required to report to our Compliance team outside business activities. These include board and committee memberships and obligations, employment

commitments, non-profit commitments, government commitments and other outside business commitments.

- To ensure that there is not intentional or unintentional front-running of purchasing securities in client accounts, we may restrict trading stocks of companies in which we are actively performing due diligence as potential candidates for purchase in our portfolios.

ITEM 12 BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions. We believe that fair treatment of all clients is paramount in the implementation of the portfolio manager's objectives. Thus, we are committed to achieving the best price and quality in the marketplace based on the information available at the time of the trade, without systematically disadvantaging one client over another.

Unless clients direct us otherwise or choose to use a custodian that requires all trades to be directed to its platform, such as Charles Schwab or Fidelity, we allocate transactions to unaffiliated broker-dealers for execution on markets at prices and commission rates that we determine will be in the best interests of the client. We will select the broker-dealer to be used for best execution based on a number of factors. Obtaining best execution is the top priority. To the extent relevant under the circumstances, the following factors apply to our best execution determination: price, commission, size of the order, difficulty of execution, degree of skill required by the broker-dealer and trading/execution/clearing/settlement capabilities. The trading desk also takes into account the following considerations:

- The procurement of the lowest possible net cost, comprising the level of execution and brokerage commission;
- A decision by the trader as to the broker-dealer most qualified to provide superior execution capabilities;
- That broker-dealer business allocated for research services will be provided at a reasonable commission rate in light of the quality of the research provided; and
- The ability to settle trades in a timely manner.

We also take into account factors that are relevant to the specific broker-dealer, such as financial stability, reputation, past history of prompt and reliable execution of client trades, operational efficiency with which transactions are effected, access to markets, access to capital to accommodate trades, access to initial and secondary offerings, ability to maintain confidentiality, market knowledge, willingness and ability to make a market in a particular security, brokerage and research services provided or the ability to accommodate third-party research arrangements, and overall responsiveness to our needs/willingness to work with us.

All client trades are allocated to a broker-dealer on our "Approved Broker List," which is a list of broker-dealers that the Best Execution Committee has approved for use as executing brokers for client securities transactions. The Approved Broker List is maintained to facilitate the orderly and consistent use of suitable broker-dealers for client transactions. In selecting broker-dealers, we do not adhere to any rigid formulas but rather make a subjective determination after weighing a combination of the factors listed above. The ultimate determination as to the broker-

dealer to select from the Approved Broker List on any given trade is made by the trader(s) responsible for executing the transaction.

The broker-dealers with whom we trade fixed income securities are also on an Approved Broker List. In order to obtain best execution, our fixed income traders place orders in competitive situations, utilizing offerings and bids from numerous local and national broker-dealers. The fixed income traders review the market environment, the new issue calendar, secondary offerings and historical relationships to help determine a competitive price for the bonds they are trading. The quality of execution is ascertained by reviewing the bids and offerings received relative to recent pricing data.

Our Best Execution Committee oversees the implementation of our best execution obligation. The Committee was formed with the purpose of developing, implementing and evaluating our trade management policies and procedures in order to satisfy our duty to seek best execution.

On a quarterly basis we review broker-dealer performance. We focus our best execution evaluation efforts on how the broker-dealer performed over time. This takes into consideration such qualitative factors as research provided, promptness of execution, ability of the broker to execute and clear, market coverage provided by the broker and consistent quality of service from the broker. As a complement to our periodic review of broker-dealers on the “Approved Broker List,” we employ a third-party service provider to provide an independent source of quantitative evaluations of equity trade execution information for the Committee. Reports typically examine aggregate trading performance on a quarterly basis.

Research and Other Soft Dollar Benefits

Brown Advisory custodies client assets primarily with Fidelity Family Office Services (“Fidelity”), Charles Schwab & Company and BNY Mellon and generally uses these companies to trade for client accounts. Clients pay the custodian through commissions and other transaction-related or asset-based fees for securities trades that the custodians execute.

In addition to brokerage, institutional services include research, and access to mutual funds and other investments that are otherwise available only to institutional clients. Brown Advisory also receives educational opportunities and occasional business entertainment of personnel.

It is not Brown Advisory’s practice to negotiate execution only commission rates; therefore, the client may be deemed to be paying for these other benefits provided by the custodian which are included in the commission rate. These products and services obtained by the use of commissions arising from client portfolio transactions will be used to facilitate the management of all client accounts. Brown Advisory does not attempt to allocate these benefits to client accounts proportionately to the commissions generated by the accounts.

In evaluating the choice of custodian, Brown Advisory may take into account the availability of some of the foregoing products and services, in addition to the cost and quality of custody or brokerage services. For this reason, the use of client commissions to obtain these products and services presents a potential conflict of interest in creating an incentive for Brown Advisory to select a custodian based on its interest in receiving those products and services.

Brokerage for Client Referrals

Brown Advisory does not select or recommend broker dealers based on whether we receive client referrals from such broker-dealer.

Directed Brokerage

Brown Advisory permits clients to direct their brokerage. If clients choose to do so, Brown Advisory will not be able to negotiate commissions for those accounts, and, as a result, these clients might pay higher commission rates.

Trade Sequencing, Aggregation, and Allocation

Brown Advisory attempts to sequence equity orders in such a manner as to obtain the best outcome for all clients involved. In many instances, groups of accounts will need to effect transactions in the same security or securities. A potential conflict of interest can arise if transactions in one or more accounts closely follow related transactions in one or more other accounts, such as when a purchase increases the value of securities previously purchased by another account, or when a sale in one account lowers the sale price received in a sale by a second account. Brown Advisory will generally not combine orders in the same equity security that have been placed by different portfolio managers unless there are benefits to doing so in anticipation of the liquidity profile of the security. Reasons for not combining orders include different execution goals and parameters. Equity orders placed to raise cash for imminent client withdrawals or comply with client investment guidelines will typically take precedence over other orders.

Subject to client guidelines and restrictions, accounts managed according to a particular strategy are incorporated into the same trade group for trade execution and allocation purposes. This ensures that trading in an investment strategy is aggregated across all related accounts to facilitate best execution. For equity strategies, we typically will aggregate orders for the same security by multiple accounts into a “block trade.” We believe that this process provides equal treatment of clients, provides ease of administration and facilitates the avoidance of information leakage that could be detrimental to client trades. The average price per share of a block trade will be allocated to each account that participates in the block trade. Discretionary advisory accounts of our employees, affiliates and associated persons participate in block trades. Such persons will receive the same average price as any other participant in the block trade. The firm uses a single trading desk to support both Private Client and Institutional trading. When a Private Client order overlaps with an institutional block trade, the default approach is to execute the Private Client order independently. An exception may be made only if the trading desk determines the Private Client order could materially affect the institutional block trade.

If a block order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day will be allocated in a manner that is consistent with the initial pre-allocation. This must be done in a way that does not consistently advantage or disadvantage particular client accounts. For example, partial fills typically are allocated pro rata among participating accounts. The trading desk may allocate a partial fill using a random fill function of the trading system in such cases where it is deemed to be fair and equitable.

There are several circumstances in which client accounts may not be traded in the block, and will not receive the benefits of trade aggregation. For example, client-directed trades generally are not traded in a block trade, nor are accounts with investment guidelines that materially deviate from the strategy, accounts that have substantial cash or liquidity requirements and accounts that do not meet investment minimums required to participate in a strategy trade. In addition, significant inflows and withdrawals generally are handled outside of an aggregated trading block. Trading for these accounts generally requires individual analysis to ensure violations do not occur, and this trading occurs after a block trade. From time to time, accounts are added to or omitted from a block trade, depending on the level of analysis that we think is required to confirm whether an account is eligible to participate in a given trade. Some client relationships include investment guidelines that require client approval based on specific securities, security types, security characteristics, or portfolio characteristics that require consultation before investment, or guidelines that may require additional research beyond traditional research standards. It is possible that accounts subject to such guidelines or restrictions will not be included in a block trade. Depending on the circumstances, additional research and potentially client consultation will be required to determine if the security is congruent with client guidelines. Every effort is made to ensure that securities are not purchased in accounts with sustainable investing or socially responsible investment guidelines until it has been determined their purchase would not violate existing client investment guidelines. In cases when a trade for a particular security occurs after a block trade, the accounts that are traded outside of the block will receive different terms for trades in the same or similar securities, which terms can be less advantageous than those received by the larger block trade. Similarly, the block trade itself generally will disadvantage client accounts that are traded outside of the block.

Aggregation and allocation procedures across fixed income portfolios have been designed to ensure fair and equitable treatment across all applicable accounts. Portfolio managers attempt to block multiple orders for the same security on the same side of the market prior to releasing an order. In the event orders eligible for aggregation are not aggregated, the Fixed Income will use its best efforts to block these orders together. Orders received after the full execution of an order (a done trade) are not blocked. Block orders that are executed in their entirety will be allocated to each account that participated at the trade execution price. If a block order cannot be executed in full at the time, the securities actually purchased or sold will be allocated in a manner that is consistent with the initial pre-allocation. This must be done in a way that does not consistently advantage or disadvantage particular accounts. For example, partial fills typically are allocated pro rata among participating accounts. Minimum increments and minimum piece sizes may constrain or influence allocation decisions.

When limited offering amounts are available for particular fixed income securities, our portfolio managers determine which accounts could best utilize the security based on duration/maturity and sector targets. Once this is determined, the security is allocated on a pro-rata basis among these particular accounts.

Non-proportional allocations occur in various situations, including in fixed-income securities due to the availability of multiple appropriate or substantially similar investments in fixed income strategies. In addition, the fact that certain personnel of Brown Advisory are dedicated

to certain client accounts is in certain cases a factor in determining the allocation of opportunities. The implementation of a client's trading strategy depends on a variety of factors, including the portfolio managers involved in managing the account. Similarly, administrative or operational considerations are taken into consideration in determining an allocation process. For example, limited investment opportunities that require prompt execution or specialized custodian support or expertise will not be allocated to certain clients or groups of clients. In such cases, allocation decisions will take into account methods for executing transactions efficiently and in a manner that is designed to benefit as many suitable clients as possible given the particular constraints. One or more funds or other client accounts are intended to be Brown Advisory's primary investment vehicles focused on, or receive priority with respect to, a particular strategy or type of investment (as determined in Brown Advisory's discretion) as compared to other funds or client accounts. Finally, allocations are adjusted under certain circumstances, for example where pro rata allocations would result in de minimis positions or odd lots.

From time to time, certain Brown Advisory strategies invest in private investments or limited investment opportunities, such as initial public offerings and direct listings. Depending on the terms and timing of the transaction, these securities offerings will typically be allocated only to applicable Brown Advisory-sponsored mutual funds, ETFs or other pooled investment funds in order to reduce administrative burdens or minimize operational risks or complexities. If more than one fund is eligible to participate in a capacity-constrained securities offering, Brown Advisory will allocate the available securities across the funds in a manner it deems to be fair and equitable. Separately managed accounts following the same investment strategy as a participating mutual fund or ETF will typically not receive an allocation in certain circumstances.

If Brown Advisory determines that client accounts are eligible to participate in such private investments or limited investment opportunities, the allocation of these investments across client portfolios is conducted in the manner outlined in Item 11.

Cross Trading

A cross trade is generally defined as an instance where Brown Advisory causes the matching of buy and sell orders for the same security between different accounts. Cross trades are also deemed to include any prearranged or orchestrated transactions between two accounts that are executed through external brokers. With respect to cross trading, we generally will allow cross trading where the transaction would comply with our policy and client-specific guidelines, and be fair and equitable to both accounts. When an account is subject to ERISA, no cross trades shall be permitted unless allowed by applicable regulations.

Cross trading can significantly reduce the transaction costs for both the buying and selling accounts and may allow for other beneficial efficiencies to clients. However, where an investment adviser has discretion on each side of a transaction, cross trading presents a potential fiduciary conflict of interest. Cross trading may be appropriate if we meet our fiduciary obligations to clients on both sides of the transaction and where best execution requirements are met.

Trade Errors

Brown Advisory has adopted policies and procedures designed to identify, evaluate, and, where appropriate, remediate administrative oversights or errors that may arise in connection with the management of client accounts, consistent with applicable standards of care and relevant governing documents. Such matters are reviewed and assessed on a case by case basis in the firm's discretion. Not all mistakes are treated as trade errors. Brown Advisory will generally net gains and losses across a client's accounts related to the same error. Where conflicts of interest arise in resolving administrative oversights or errors, Brown Advisory seeks to mitigate these conflicts through established policies, procedures, and supervisory oversight.

B. **Order Aggregation.** While each client is advised independently and transactions directed in accordance with such advice, Brown Advisory will sometimes aggregate orders to reduce execution costs. If Brown Advisory aggregates orders, Brown Advisory allocates the securities in the order among client accounts so as not to systematically favor any client account over another. Brown Advisory determines which accounts will participate in an aggregated order on a case-by-case basis in the best interests of the client and considers such factors as account size, suitability, taxes, diversification and/or cash availability. Participating accounts share the benefit, if any, of aggregation pro rata. If aggregated orders are not completely filled on the day on which they are placed, Brown Advisory completes the allocation on the next business day when the order is filled at the average price for trades on both days. Each participating client should receive the average share price on the transaction day and costs should be allocated pro rata.

ITEM 13 REVIEW OF ACCOUNTS

Brown Advisory's client management team manages client relationships. The team generally consists of Portfolio Managers, Client Service Associates, and members of the Investment Team. The client management team works closely with the client to establish and work toward investment objectives.

Client management teams review client accounts throughout the year to determine whether they believe the investment strategy being utilized is an appropriate strategy in light of the client's objectives, risk tolerance, and restrictions. The client management team considers the client's profile along with factors that may affect the account's performance, including changes in the market and current tax laws, then recommends adjustments to the account's asset allocation if needed.

Brown Advisory provides quarterly reports to our clients which reflect deposits and withdrawals from the account and investment performance net of fees and costs.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Employees are compensated for business development activity, including the attraction or retention of client assets.

Our affiliate BALLC has arrangements with certain custodians to provide custodian services to our clients at pre-negotiated fees. Fidelity and U.S. Bank are the custodians that offer these rates and with whom the firm has achieved some operational efficiencies. Clients of BALLC

and its affiliates who select Fidelity or U.S. Bank as their custodian benefit from favorable custody fee schedules and operational efficiencies that have been developed over the course of these relationships. Under its agreement, U.S. Bank pays BALLC a fee approximately equal to 0.21 basis points annually on non-retirement client assets held by U.S. Bank as custodian. If a client chooses to use U.S. Bank, BALLC will benefit from this fee.

From time to time, we use money market funds and cash sweep products offered by banks and broker-dealers, as cash management options for discretionary client accounts. For clients that agree to custody their accounts at U.S. Bank, we will, unless otherwise instructed, use as cash sweep vehicles First American Funds treasury and government money market funds, which as noted above are managed by a U.S. Bank affiliate. Brown Advisory believes these money market funds offer competitive fees and performance for our clients, as well as administrative efficiencies because of their operational connection to U.S. Bank. Because of these efficiencies, the U.S. Bank affiliate has agreed to pay Brown Advisory a fee that ranges from 13 basis points to 13.5 basis points and is based upon the value of client assets invested in those funds, other than certain retirement account assets, which are excluded from the arrangement. The arrangement applies only to client accounts custodied at U.S. Bank. This payment provides Brown Advisory with an incentive to use the First American Funds money market funds as cash sweep options and thus creates a conflict of interest. This fee creates a conflict of interest in that we have a financial incentive to continue to use U.S. Bank as our preferred client custodian. BALLC and its affiliates continually evaluate the services that U.S. Bank and Fidelity provide to our clients and believe these arrangements serve our clients' interests.

ITEM 15: CUSTODY

We are deemed by the SEC to have custody of the assets of certain private investment vehicles because we act as the general partner or managing member of such private investment vehicles and, accordingly, serve in a capacity that provides us with access to the assets. Other situations where the firm is deemed to have custody of client assets include an employee or firm affiliate serving as trustee or co-trustee of client accounts, or where the firm operates under a standing letter of authorization or instructs custodians to move assets to third parties.

Clients receive account statements at least quarterly from the qualified custodian of the client's assets. Brown Advisory encourages clients to carefully review and compare the information in the custodian's statements with the information in Brown Advisory's quarterly statements for consistency.

Certain of Brown Advisory's private investment limited partnerships are subject to annual audits by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB"). Audited statements are delivered to investors within 180 days of fiscal year-end.

Brown Advisory offers a bill-paying service to clients and is subject to an annual surprise audit by a PCAOB independent public accountant in accordance with SEC regulations.

ITEM 16 INVESTMENT DISCRETION

Brown Advisory clients enter into a written investment advisory agreement that sets forth the scope of Brown Advisory's discretion. Unless otherwise directed by the client and except with respect to private placements that must be authorized by the client, Brown Advisory has the authority to invest client assets, including the investment and reinvestment of interest, dividends and capital gains, and to exercise authority granted under a limited power of attorney included in their custodial account agreement.

Brown Advisory has the power under the limited power of attorney to direct the transfer of funds for investment purposes or to the client personally and will send checks, wire funds, and otherwise transfer funds held in the client's accounts (1) to other accounts of identical registration, (2) to the client, or (3) as otherwise directed by the client in writing.

Brown Advisory clients must complete certain documents and provide written authorizations, including a Subscription Agreement, to invest in any of Brown Advisory's private placements.

PROCEDURES TO ENSURE GUIDELINE COMPLIANCE

Client-imposed investment restrictions and guideline limitations are identified and documented during the account onboarding process. For institutional clients, we maintain investment policy statements ("IPS") that outline client objectives and guidelines in greater detail. When clients provide their own IPS, we review the document to confirm that the stated guidelines align with our investment management responsibilities. If revisions are necessary, the language is updated and mutually approved prior to the commencement of account management.

To the extent feasible, client-specific pre trade restrictions are coded into our trade order management and compliance systems. As aggregated orders are entered, portfolio managers are notified of any potential guideline breaches. Portfolio managers retain primary responsibility for supervising adherence to these requirements. Our trade order management system also supports ongoing oversight through automated guideline monitoring designed to facilitate compliance with client and regulatory requirements, reduce risk, and enhance transparency. Post trade compliance testing is performed daily. For clients with socially responsible or values based investment guidelines, securities are evaluated for compliance at initial purchase and on an annual basis thereafter. We utilize MSCI as an independent third-party provider to apply rules based screening intended to identify companies with potentially controversial business activities that may conflict with client guidelines.

RECEIPT OF MATERIAL NON-PUBLIC INFORMATION

Brown Advisory and its employees engage in activities that can result in obtaining material non-public information. Employees in possession of material non-public information must contact the Compliance team, which is authorized to take appropriate measures to prevent Brown Advisory and its employees from unlawful trading on the basis of such information. These measures can include information barriers or general restrictions on trading in the relevant issuer(s). When a trading restriction is imposed by the Compliance team, Brown Advisory will not be able to direct trades that it would otherwise make in client accounts, which could result in client accounts experiencing losses or being otherwise disadvantaged.

PARTICIPATION IN CORPORATE AND OTHER LEGAL ACTIONS

Unless otherwise directed by a client, Brown Advisory provides instructions to custodians regarding tender offers and rights offerings for securities held in client accounts. Brown Advisory does not provide legal advice to clients and does not determine whether a client should join, opt out of, or otherwise submit a claim with respect to any legal proceedings, including bankruptcies or class actions involving securities held or previously held by the client.

ITEM 17: VOTING CLIENT SECURITIES

Brown Advisory generally does not vote proxies solicited by or with respect to the issuers of securities in which client accounts are invested and will not take any action or render any advice on investments in client accounts which become subject to class actions or related litigation or other matters such as mergers, acquisitions, tender offers, bankruptcy proceedings or other similar events.

Pursuant to an agreement with a client, Brown Advisory will accept authority to vote proxies on behalf of clients. In such cases, proxies will be voted consistent with the Brown Advisory Proxy Voting Policy, which sets forth the firm's standard approach to voting on common proxy questions. In general, the Proxy Voting Policy is designed to ensure that we vote proxies in the best interest of our clients, so as to promote the long-term economic value of the underlying securities. Our proxy voting is informed by both financial and extra-financial data, including consideration of any information we believe is material and applicable. Clients may receive a copy of the Proxy Voting Policy at any time upon request. The Proxy Voting Policy is also available on Brown Advisory's website. Clients may, at any time, opt to change their proxy voting authorization. Upon notice that a client has revoked Brown Advisory's authority to vote proxies, we will forward any relevant research obtained to the party that will assume proxy voting authority, as identified by the client.

To facilitate the proxy voting process, Brown Advisory has engaged Institutional Shareholder Services Inc. ("ISS"), an unaffiliated, third-party proxy voting service, to provide proxy research and voting recommendations. In addition, Brown Advisory subscribes to ISS's proxy vote management system, which provides a means to receive and vote proxies, as well as services for recordkeeping, auditing, reporting and disclosure regarding votes.

Proxy voting for our Institutional investment strategies is overseen by a Proxy Voting Committee. Determining how a vote will be cast begins with the research analysts and, ultimately, rests with the portfolio managers for each Brown Advisory Institutional equity strategy. While the recommendations of ISS are used as a baseline for our voting in these cases, especially for routine management proposals, Brown Advisory votes each proposal after consideration on a case-by-case basis.

Members of the Firm's equity research team receive weekly notification of upcoming meetings and proxy voting taking place at companies in their coverage. Fundamental research analysts guide vote recommendations on management proposals, and SI research analysts guide vote recommendations on shareholder proposals, with both groups working together to consider the relevant issues. Final vote decisions ultimately are made by the portfolio manager.

In the event that portfolio managers of different strategies disagree on the vote recommendation for a company they all own, a split vote may be conducted. In general, this disagreement is due to portfolio managers having unique views on an issue. When a split vote occurs, the Fund associated with each strategy is voted in line with the portfolio manager's instruction. All other shares of the company held by Brown Advisory, including separately managed accounts, are split in a manner that is proportionate to the relative number of shares held across each institutional strategy. Split votes are reviewed by the Proxy Voting Committee, and such votes are approved by the Firm's General Counsel or designee.

When Brown Advisory exercises proxy voting authority for clients in the firm's PCE&F business, the firm's Proxy Voting Operations team is responsible for arrangements with all custodial partners. Unless otherwise agreed with a client, Brown Advisory's Proxy Voting Policy is assigned by default to our Advisory client accounts.

The following exceptions can apply to standard voting for PCE&F clients:

- *Client Directed:* A client may request to:
 - Attend a meeting and vote
 - Vote in line with account owner request
 - Request a take no action or abstention
- *No Voting:* A client, during on-boarding, may request that voting ballots be mailed directly to the account owner's address.
- *Holdings in Institutional Strategies:* All holdings owned by our PCE&F clients that also are held in Brown Advisory's Institutional strategies are overseen and governed by the voting practices detailed in the Institutional section.
- *Client-specific Guidelines:* Whereas we have a standard Proxy Voting policy default, we have the capability to provide PCE&F clients with the option to customize their voting preferences. Should a client desire a customized approach, the Brown Advisory client team will work directly with the client, Brown Advisory Operations, and ISS to establish and implement client-specific guidelines.
- *No ISS Recommendations:* If a client is invested in a company where ISS will not be supplying voting recommendations (e.g., privately held companies), the analyst covering the company will supply voting recommendations. Should the company not be covered internally, the client's portfolio manager will be notified and asked to instruct the vote.

The following voting practices are applied to separately managed portfolios:

Brown Advisory Institutional strategies held in a separately managed account (SMA): Holdings within Brown Advisory separately managed accounts are overseen and governed by the Proxy Voting Committee and follow the protocols detailed in the Institutional investment strategy proxy voting section discussed above.

Externally managed strategies held in a SMA: Holdings within an externally managed strategy held as a separately managed account are set up with the delegated and/or appointed manager for voting. In these cases, Brown Advisory yields voting authority to the appointed manager. In certain circumstances, the appointed manager may not exercise voting authority. In such cases,

proxy voting will not be exercised.

CONFLICTS OF INTEREST

A “conflict of interest” means any circumstance when the firm or one of its affiliates (including officers, directors and employees), or in the case where the firm serves as investment adviser to one of its registered mutual funds, when such fund (including its officers, directors and employees), knowingly does a material amount of business with, receives material compensation from, or sits on the board of, a particular issuer or closely affiliated entity and, therefore, may appear to have a conflict of interest between its own interests and the interests of clients or Fund shareholders in how proxies of that issuer are voted. For example, a perceived conflict of interest may exist if an employee of the firm serves as a director of an actively recommended issuer, or if the firm is aware that a client serves as an officer or director of an actively recommended issuer. Conflicts of interest will be resolved in a manner the firm believes is in the best interest of the client.

Brown Advisory votes proxies relating to such issuers in accordance with the following procedures:

ROUTINE MATTERS AND IMMATERIAL CONFLICTS

The firm generally votes proxies for routine matters, and for non-routine matters that are considered immaterial conflicts of interest, consistent with this its Proxy Voting Policy. A conflict of interest will be considered material to the extent that it is determined that such conflict has the potential to influence the firm’s decision-making in voting a proxy. Materiality determinations will be made by the Chief Compliance Officer or designee based upon an assessment of the particular facts and circumstances.

MATERIAL CONFLICTS AND NON-ROUTINE MATTERS

If the firm believes that (a) it has a material conflict and (b) that the issue to be voted upon is non-routine or is not covered by this Policy, then to avoid any potential conflict of interest:

- in the case of a fund, the firm shall contact the fund board for a review and determination;
- in the case of all other conflicts or potential conflicts, the firm may “echo vote” such shares, if possible, which means the firm will vote the shares in the same proportion as the vote of all other holders of the issuer’s shares; or
- in cases when echo voting is not possible, the firm may defer to ISS recommendations, abstain or vote in a manner the firm, in consultation with the General Counsel, believes to be in the best interest of the client.

If the aforementioned options would not ameliorate the conflict or potential conflict, then Brown Advisory will abstain from voting.

Clients can obtain a copy of our proxy voting policies and information on how we have voted proxies by calling 1-800-645-3923 or by visiting the Brown Advisory website. If a client requests this information, the Chief Compliance Officer or designee will prepare a written response to the client that lists for each specific request:

- The name of the issuer,
- The proxy proposal voted on, and

- How the client's proxy was voted.

ITEM 18: FINANCIAL INFORMATION

Brown Advisory is unaware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitment to our clients.