

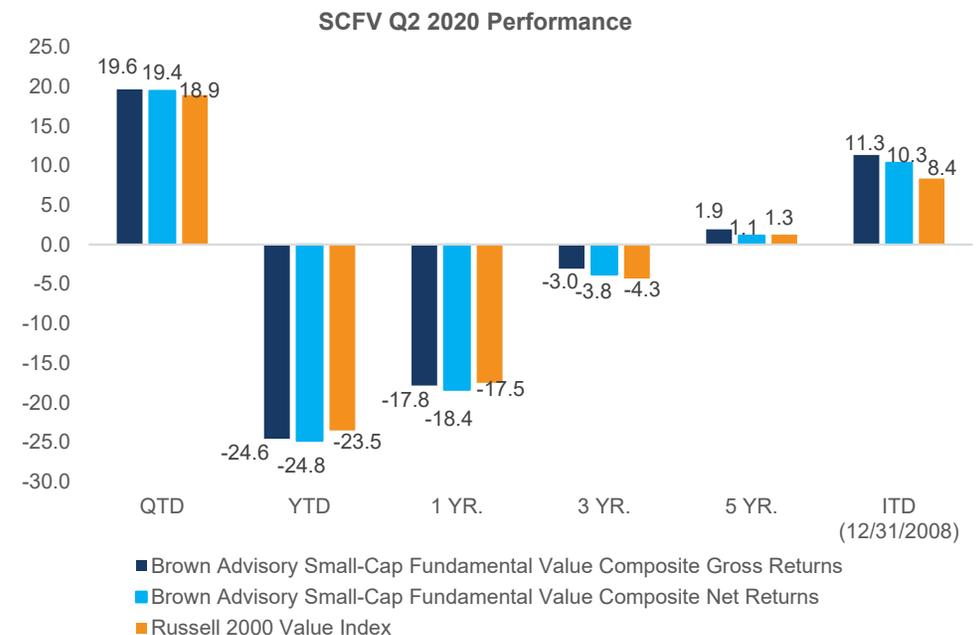
SMALL-CAP FUNDAMENTAL VALUE REVIEW AND OUTLOOK

After the first quarter's historic decline in the equity markets, the second quarter was marked by rapid price appreciation. The increase in equity prices has been across multiple sectors and virtually all market segments. It has also been in the face of a dramatic increase in unemployment, a surge in levels of delinquent debt, and uncertainty surrounding the duration and ultimate severity of the pandemic. The potential for a change in administration in the fall and potentially higher corporate tax rates has also started to be more frequently discussed. A number of factors seem to be driving the markets higher including massive fiscal and monetary stimulus, promising potential of several vaccines, and what appears to be a significant increase in speculative behavior by retail investors. While small capitalization share prices have sharply rebounded off the lows of the first quarter, they are still down materially year-to-date and the spread between growth and value stocks continued to widen during the quarter. Many have commented that the markets are giving companies a pass on earnings for 2020 and looking to 2021, but in many cases, valuations are stretched even based on 2021 anticipated results. As we head into earnings season, we expect second-quarter results to be very challenging and are cautious about the market's ability to absorb the short-term realities of the current situation.

During the second quarter, the Brown Advisory Small-Cap Fundamental Value strategy generated strong performance both on an absolute and relative basis to the Russell 2000 Value® Index. While less pronounced than the first quarter, the Index did show considerable volatility during the quarter. Recall that during the first quarter, we made some dramatic shifts to a number of our investments and portfolio. Thus far we are particularly pleased about the performance of the portfolio and its ability to generate strong upside participation while still retaining downside protection. However, despite the performance for the quarter, we still trail the Index modestly for the year.

Financials and communication services were our strongest contributors during the quarter. While our overall weight in financials is similar to the benchmark, our portfolio has a lighter allocation to banks and thrifts which continue to be under pressure. Within communication services, our large investment in Nexstar drove the bulk of our performance. Our underweight in utilities also contributed to relative performance.

The consumer discretionary sector was the best performing sector within the Index (+63%) rebounding after the dramatic decline in the first quarter. Although we were pleased with our investments during the quarter, the sector was our largest detractor. Not unsurprisingly, as a potential second wave of the pandemic has emerged, this sector continues to be very volatile. Although a small allocation, our investments in health care were able to outperform the Index. Conversely, our investments in information technology trailed the strong Index performance.



(Continued on the following page)

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SMALL-CAP FUNDAMENTAL VALUE REVIEW AND OUTLOOK

While not as active as the first quarter, we did make four new investments during the quarter across different sectors. Similar to the first quarter, they all have strong current operating prospects, solid balance sheets, and trade at attractive free cash flow yields. We also sold five of our investments. These were generally smaller positions and some of our smaller market capitalization companies where we continued to be concerned about the near- and medium- term prospects for each.

This upcoming earnings season will be very telling. After months of speculation, we will finally see the actual results of companies that have been enduring the pandemic and hear about the prospects for the rest of the year. Given the resurgence of the pandemic as well as the upcoming election, our assumption is that volatility will continue to be elevated. As always, the team continues to use the volatility and will evaluate current conditions and results in order to assess the ongoing cash flow ability of our existing portfolio of investments as well as potential ones.

SECTOR DIVERSIFICATION

- Our consumer staples weighting was up due to the performance of our investments while consumer discretionary was down due to the weaker relative performance and sales.
- Our financials weighting was down due to sales of banking investments.
- Our information technology and utilities weightings were up due to new investments.

SECTOR	REPRESENTATIVE SMALL-CAP FUNDAMENTAL VALUE ACCOUNT (%)	RUSSELL 2000® VALUE INDEX (%)	DIFFERENCE (%)	REPRESENTATIVE SMALL-CAP FUNDAMENTAL VALUE ACCOUNT (%)	
	Q2 '20	Q2 '20	Q2 '20	Q1 '20	Q2 '19
Communication Services	6.80	2.45	4.35	5.99	6.63
Consumer Discretionary	11.40	10.88	0.51	12.64	14.88
Consumer Staples	2.27	3.51	-1.24	0.77	1.75
Energy	1.74	4.43	-2.69	1.39	2.73
Financials	28.52	29.15	-0.63	30.51	32.06
Health Care	6.46	6.21	0.25	5.15	3.42
Industrials	17.53	16.17	1.36	18.60	20.63
Information Technology	13.98	5.89	8.09	12.04	7.57
Materials	3.24	5.46	-2.22	4.03	3.79
Real Estate	6.12	10.43	-4.30	7.93	4.98
Utilities	1.93	5.42	-3.48	0.95	0.84
Unassigned	--	--	--	--	0.72

Source: FactSet®. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The portfolio information provided is based on a representative Small-Cap Fundamental Value account and is provided as supplemental information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

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QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR



SECTOR	REPRESENTATIVE SMALL-CAP FUNDAMENTAL VALUE ACCOUNT		RUSSELL 2000® VALUE INDEX		ATTRIBUTION ANALYSIS		
	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	6.56	34.39	2.13	9.67	-0.36	1.46	1.11
Consumer Discretionary	12.83	28.24	9.53	63.46	1.53	-3.47	-1.93
Consumer Staples	2.12	36.95	3.42	19.41	-0.04	0.31	0.26
Energy	1.61	48.15	4.00	26.57	-0.16	0.27	0.10
Financials	28.35	18.11	28.24	9.81	-0.03	2.11	2.08
Health Care	5.99	47.87	6.58	34.01	-0.12	0.63	0.51
Industrials	18.03	16.55	12.92	21.17	0.14	-0.77	-0.63
Information Technology	13.37	10.04	10.90	17.58	-0.05	-0.76	-0.81
Materials	3.65	17.87	4.51	29.89	-0.08	-0.49	-0.56
Real Estate	6.43	11.99	10.89	13.53	0.24	-0.25	-0.01
Utilities	1.07	7.09	6.87	-4.84	1.45	0.11	1.55
Total	100.00	20.59	100.00	18.91	2.53	-0.85	1.68

Source: FactSet. Total portfolio return figures provided above reflect the sum of the returns of the equity holdings in the representative account portfolio due to price movements and dividend payments or other sources of income, and exclude cash. The portfolio information provided is based on a representative Small-Cap Fundamental Value account and is provided as supplemental information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution excludes cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

QUARTER-TO-DATE TOP FIVE CONTRIBUTORS TO RETURN

Representative Small-Cap Fundamental Value Account Top Five Contributors

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
MGLN	Magellan Health, Inc.	Provides healthcare management services	3.25	51.68	1.45
NXST	Nexstar Media Group, Inc. Class A	Provides television broadcasting services	3.23	45.85	1.36
PRSC	Providence Service Corporation	Provides home and community-based social services and non-emergency transportation services	2.74	43.64	1.17
VRTS	Virtus Investment Partners, Inc.	Provides investment management services	2.34	53.73	1.01
DKS	Dick's Sporting Goods, Inc.	Retails sporting goods equipment, apparel and footwear	1.18	94.37	0.92

- Following the COVID-19-driven downdraft, Magellan's shares were buoyed by management's decision to divest the Magellan Complete Care business to Molina for \$850 million. Furthermore, the deal established a commercial relationship whereby Magellan will support certain Molina programs in several states with optionality for more. This deal allowed Magellan to shed a historically volatile aspect of its business, recapitalize its balance sheet, and sign a new, multi-year customer contract with a large, national payer.
- Nexstar recovered from March lows along with other economically sensitive, levered companies. First-quarter results were much better than feared, and the company highlighted its resilient political advertising and distribution revenue streams.
- Shares in Providence experienced a strong rebound following a period of pandemic-driven uncertainty as it became clear the company's medical transportation offerings were more essential and robust than many expected. The company also added new, critical services such as delivery services at the request of state partners. Lastly, management reached an agreement that will release it from paying a significant preferred dividend to a long-standing shareholder which should enhance realized free cash flow.
- Virtus shares rebounded during the quarter along with the markets. The move was particularly pronounced as the company used a portion of its free cash flow to repurchase 2% of the outstanding shares during the quarter.
- Dick's Sporting Goods reported first quarter earnings in which the company reported better-than-feared results driven by strong ecommerce sales growth that assisted in replacing lost brick and mortar sales as a result of store closures due to COVID-19. In addition to posting quarterly results that were better-than-feared, Dick's is viewed as a company that should be a long-term survivor that is poised to take market share in the sporting goods industry.

Source: FactSet. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. Returns listed represent the period when the security was held during the year. The portfolio information provided is based on a representative Small-Cap Fundamental Value account and is provided as supplemental information. Top five and bottom five contributors exclude cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

Representative Small-Cap Fundamental Value Account Bottom Five Contributors

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
CORE	Core-Mark Holding Company, Inc.	Engages in distributing and marketing of consumer products	2.73	-12.23	-0.36
SATS	EchoStar Corporation Class A	Provides digital broadcast operations and satellite services through its subsidiaries	2.36	-12.69	-0.30
XHR	Xenia Hotels & Resorts, Inc.	Operates as real estate investment trust	0.96	-5.48	-0.29
DLX	Deluxe Corporation	Provides graphic arts design and check printing services	0.81	-12.25	-0.27
BBDC	Barings BDC, Inc.	Acts as private equity fund	0.36	-12.24	-0.24

- Core-Mark shares declined after reporting first-quarter results as the company's non-cigarette and higher margin products experienced sales volatility due to the impact of COVID-19 on a large portion of their customer base. Performance has been getting sequentially better and we still believe in Core-Mark's long-term prospects and strategy.
- Echostar's stock was volatile in the quarter but fell in June on little news. It continues to have a solid balance sheet and attractive valuation.
- Xenia Hotels was a detractor in the second quarter, with the stock down 5% compared to the strong bounce in the broader market. Xenia's portfolio of upscale hotels will take longer to reopen and claw back revenue per available room than peers like Extended Stay, as a portion of Xenia's assets cater to business travel and "fly-to" destinations. We believe Xenia's balance sheet is well positioned to weather this dislocation in the market, and the company reached an agreement with its banks subsequent to quarter-end that provides the company with additional flexibility through 2021. At the quarter-end stock price of ~\$9.50, Xenia is trading at a low- double digit implied capitalization rate on depressed 2021 cash flow. We believe that this is overly punitive, though we acknowledge the lack of near-term visibility around the timing of recovery.
- COVID-19 negatively impacted Deluxe's business, particularly its promotional materials segment, which was down as much as 45% in April.
- Barings BDC was down as investors have grown increasingly concerned about the material weakness in the middle-market lending environment.

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QUARTER-TO-DATE ADDITIONS

Representative Small-Cap Fundamental Value Account Portfolio Activity

- Kemper Corporation is a diversified insurance provider with a profitable specialty segment offering nonstandard private auto insurance coverage. The company is efficiently run by a disciplined management team and trades at an attractive valuation. As a result of well-executed acquisitions and organic growth, specialty now contributes to more than two thirds' of Kemper's net earned premiums. It is complemented by an improving preferred property and casualty business and stable life and health insurance operation that produces consistent cash flow.
- Onto Innovation (formerly Rudolph Technologies) serves the semi conductor sector. Late last year, they did a merger of equals with Nanometrics and since then, the combined company has grown cash flow and currently has a significant cash balance (20% of overall market capitalization). They also bought back almost 4% of the company during the March and April timeframe. We believe this strong operating performance combined with net cash, buybacks and attractive valuation, creates an attractive investment opportunity.
- Portland General Electric is a single state regulated utility in Oregon. We took advantage of a year-to-date decline in its share price to make our investment, which we believe has an attractive risk and reward profile and an opportunity for growth in its robust dividend.
- SPX Corporation has three segments: HVAC, detection and measuring, and power business. While the company trades at a sizable discount on a sum of the parts basis, we are attracted to the high levels of free cash flow due to its capital light business model.

SYMBOL	ADDITIONS	SECTOR
KMPR	Kemper Corporation	Financials
ONTO	Onto Innovation, Inc.	Information Technology
POR	Portland General Electric Company	Utilities
SPXC	SPX Corporation	Industrials

QUARTER-TO-DATE DELETIONS

Representative Small-Cap Fundamental Value Account Portfolio Activity

- While the Barings BDC team has done a good job protecting and growing its net asset value while growing the dividend, we sold our position because we were concerned about material weakness in the middle-market lending environment.
- COVID-19 negatively impacted Deluxe's business, particularly its promotional materials segment, which serves small businesses and was down as much as 45% in April. We sold our investment after COVID-19 impacts made it difficult for us to determine whether the company could execute its strategic plan.
- We sold our investment in Howard, which is a small bank that we think will have difficulty navigating the COVID-19 crisis.
- MRC Global is a distributor in the energy space. We exited as exploration and production capital expenditure cuts continue to grow in the U.S. and abroad.
- We eliminated our small investment in Nesco due to missing internal expectations, and resulting levels of leverage.

SYMBOL	DELETIONS	SECTOR
BBDC	Barings BDC, Inc.	Financials
DLX	Deluxe Corporation	Industrials
HBMD	Howard Bancorp, Inc.	Financials
MRC	MRC Global Inc.	Industrials
NSCO	Nesco Holdings Inc	Industrials

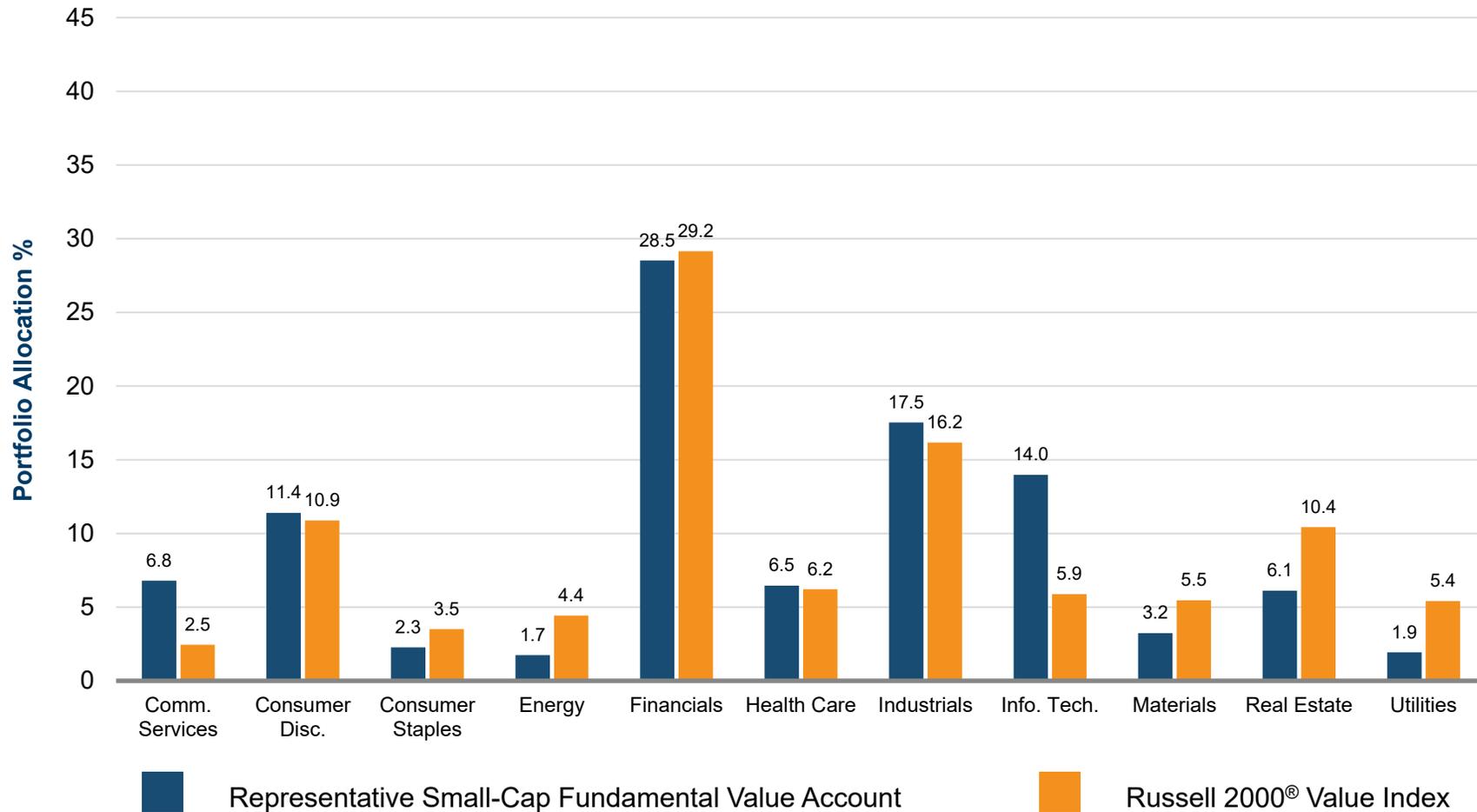
PORTFOLIO CHARACTERISTICS

	REPRESENTATIVE SMALL-CAP FUNDAMENTAL VALUE ACCOUNT	RUSSELL 2000® VALUE INDEX
Number of Holdings	61	1,439
Market Capitalization (\$ B)		
Weighted Average	2.4	1.7
Weighted Median	1.8	1.5
Maximum	7.5	12.4
Minimum	0.1	0.1
Top 10 Equity Holdings (%)	27.8	4.4
Three-Year Annualized Portfolio Turnover (%)	35.3	--

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SECTOR DIVERSIFICATION

Global Industry Classification Standard (GICS) as of 06/30/2020

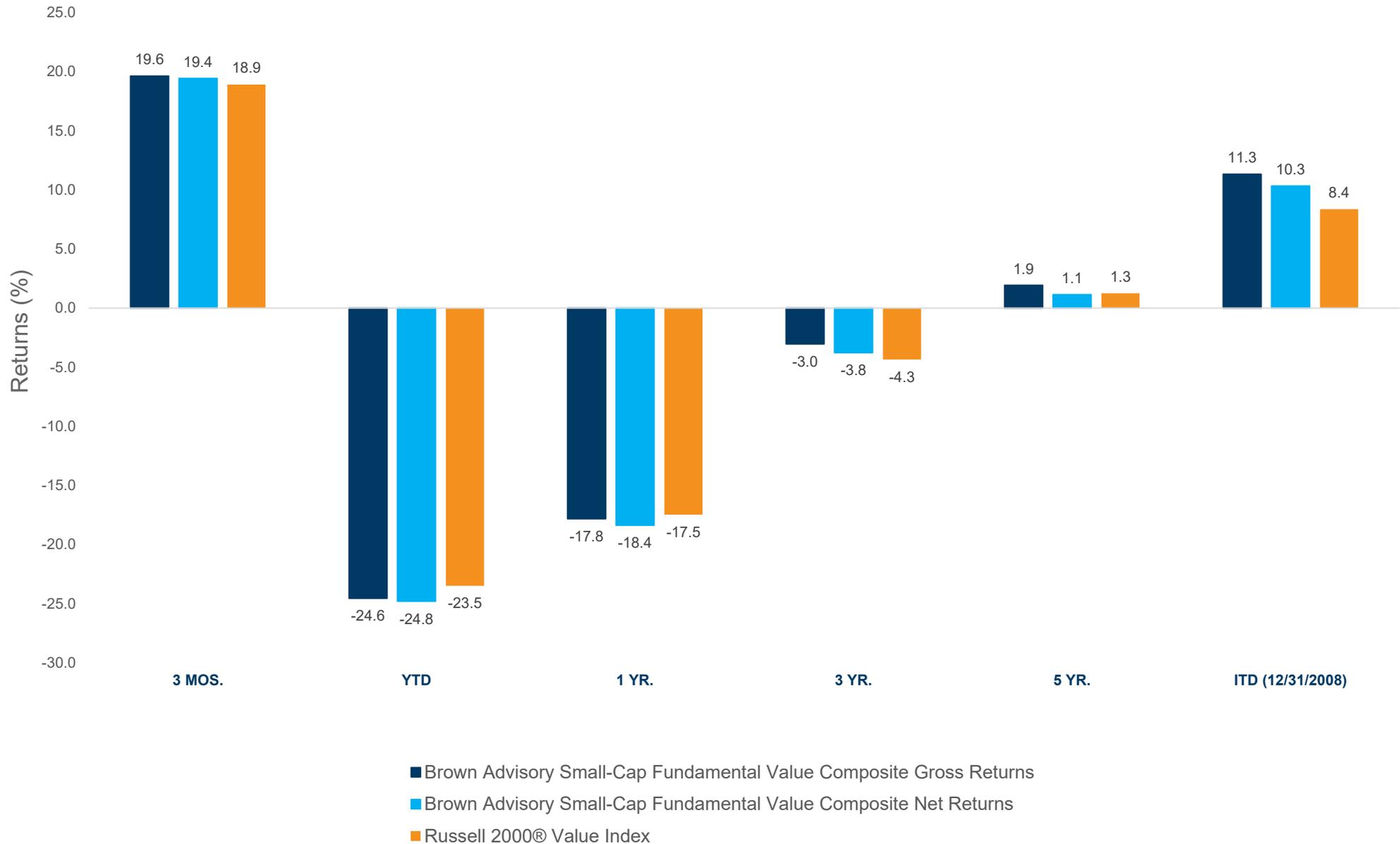


Source: FactSet. The portfolio information provided is based on a representative Small-Cap Fundamental Value account and is provided as supplemental information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

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COMPOSITE PERFORMANCE

As of 06/30/2020



Source FactSet. All returns greater than one year are annualized. Past performance is not indicative of future results. The composite performance shown above reflects the Small-Cap Fundamental Value Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a GIPS compliant firm and is a division of Brown Advisory LLC. Please see the Brown Advisory Small-Cap Fundamental Value disclosure statement at the end of this presentation for a GIPS compliant presentation.

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TOP 10 EQUITY HOLDINGS

Representative Small-Cap Fundamental Value Account
As of 06/30/2020

Top 10 Equity Holdings

TOP 10 EQUITY HOLDINGS	% OF PORTFOLIO
Magellan Health, Inc.	3.3
GCI Liberty, Inc. CI A	3.3
Nexstar Media Group, Inc.	3.2
Providence Service Corp.	2.8
Cabot Microelectronics Corp.	2.7
Cardtronics PLC	2.6
National General Holdings Corp.	2.5
Primerica, Inc.	2.5
Virtus Investment Partners, Inc.	2.5
Assurant, Inc.	2.3
Total	27.8%

Source: FactSet. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Portfolio information is based on a representative Small-Cap Fundamental Value account and is provided as supplemental information. Cash and cash equivalents of 4.8% are included but not shown in the top 10 equity holdings featured above. Please see disclosure statement at the end of this presentation for additional information. Figures in chart may not total due to rounding.

The views expressed are those of the author and Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results. Past performance is not a guarantee of future performance and you may not get back the amount invested. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. This piece is intended solely for our clients and prospective clients, is for informational purposes only, and is not individually tailored for or directed to any particular client or prospective client.

The **Russell 2000® Value Index** measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The Index is completely reconstituted annually to ensure that new and growing equities are included and that the represented companies continue to reflect value characteristics. The Russell 2000® Value Index and Russell are trademarks of the London Stock Exchange Group Companies.

An investor cannot invest directly into an index.

Global Industry Classification Standard (GICS®) and “GICS” are service makers/trademarks of MSCI and Standard & Poor’s.

FactSet® is a registered trademark of FactSet Research Systems, Inc.

Figures shown on sector diversification and quarterly attribution by detail slides may not total due to rounding.

TERMS AND DEFINITIONS

All financial statistics and ratios are calculated using information from FactSet as of the report date unless otherwise noted.

The **Average Weight** of a position or sector refers to the daily average for the period covered in this report of a stock's value as a percentage of the portfolio.

The **Total Return** of an equity security is the sum of the return from price movement and the return due to dividend payments or other sources of income. Standard benchmark-, sector- and portfolio-level returns are the sums of the weights of each security multiplied by its return, summed and calculated daily and summed over the period covered by the report or by an otherwise-noted period.

Allocation Effect measures the impact of the decision to allocate assets differently than those in the benchmark.

Selection and Interaction Effect reflects the combination of selection effect and interaction effect. Selection effect measures the effect of choosing securities that may or may not outperform those of the benchmark. Interaction effect measures the effect of allocation and selection decisions (i.e., did we overweight the sectors in which we underperformed).

Total Effect reflects the combination of allocation, selection and interaction effects. Totals may not equal due to rounding.

Contribution To Return is calculated by multiplying a security's beginning weight in the portfolio by the security's return on a daily basis, and geometrically linking the return to the reporting period.

Market Capitalization refers to the aggregate value of a company's publicly traded stock. Statistics are calculated as follows: Weighted Average: the average of each holding's market cap, weighted by its relative position size in the portfolio (in such a weighting scheme, larger positions have a greater influence on the calculation); Weighted Median: the value at which half the portfolio's market capitalization weight falls above and half falls below; Maximum and Minimum: the market caps of the largest and smallest companies, respectively, in the portfolio.

Earnings Growth 3-5 Year Est. is the average predicted annual earnings growth over the next three to five years based on estimates provided to FactSet by various outside brokerage firms, calculated according to each broker's methodology.

Portfolio Turnover is the ratio of the lesser of the portfolio's aggregate purchases or sales during a given period, divided by the average value of the portfolio during that period, calculated on a monthly basis. Portfolio turnover is provided for a three-year trailing period.

SMALL-CAP FUNDAMENTAL VALUE COMPOSITE

Year	Composite Total Gross Returns (%)	Composite Total Net Returns (%)	Benchmark Returns (%)	Composite 3-Yr Annualized Standard Deviation (%)	Benchmark 3-Yr Annualized Standard Deviation (%)	Portfolios in Composite at End of Year	Composite Dispersion (%)	Composite Assets (\$USD Millions)*	GIPS Firm Assets (\$USD Millions)*
2019	25.3	24.4	22.4	13.9	15.7	38	0.3	1,442	42,426
2018	-12.3	-13.1	-12.9	13.4	15.8	41	0.2	1,334	30,529
2017	13.3	12.4	7.8	12.2	14.0	48	0.3	1,808	33,155
2016	23.4	22.4	31.7	13.0	15.5	46	0.3	1,660	30,417
2015	-4.6	-5.3	-7.5	12.3	13.5	45	0.2	1,186	43,746
2014	7.1	6.3	4.2	10.7	12.8	41	0.4	1,002	44,772
2013	42.0	41.0	34.5	14.1	15.8	32	0.3	693	40,739
2012	23.0	21.9	18.1	17.7	19.9	13	0.1	269	26,794
2011	2.9	1.9	-5.5	20.6	26.1	9	0.6	190	19,962
2010	28.3	26.7	24.5	NA	NA	Five or fewer	N/A	61	16,859
2009	25.7	24.0	20.6	NA	NA	Five or fewer	N/A	30	11,058

Brown Advisory Institutional claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brown Advisory Institutional has been independently verified for the periods from January 1, 1993 through December 31, 2019. The Verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. GIPS® is a registered trademark owned by CFA Institute.

- *For the purpose of complying with the GIPS standards, the firm is defined as Brown Advisory Institutional, the Institutional and Balanced Institutional asset management divisions of Brown Advisory. As of July 1, 2016, the firm was redefined to exclude the Brown Advisory Private Client division, due to an evolution of the three distinct business lines.
- The Small-Cap Fundamental Value Composite (the Composite) includes all discretionary portfolios invested in the Small Cap Fundamental Value Strategy. The strategy invests primarily in U.S. smaller market capitalization equities that generate high levels of free cash flow and are currently undervalued by the market. The minimum account market value required for inclusion in the Composite is \$1.5 million.
- The Composite was created in 2009. The Composite inception date is January 1, 2019.
- The benchmark is the Russell 2000® Value Index. The Russell 2000® Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The Russell 2000® Value Index and Russell® are trademarks/service marks of the London Stock Exchange Group companies. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.
- The composite dispersion presented is an equal-weighted standard deviation of portfolio returns calculated for the accounts in the Composite for the entire calendar year period. The composite dispersion is not applicable (N/A) for periods where there were five or fewer accounts in the Composite for the entire period.
- Gross-of-fees performance returns are presented before management fees but after all trading commissions, and gross of foreign withholding taxes (if applicable). Net-of-fee performance returns reflect the deduction of actual management fees and all trading commissions. Certain accounts in the composite pay asset-based custody fees that include commissions. For these accounts, gross and net returns are also net of custody fees. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 1.00% on the first \$25 million; 0.90% on the next \$25 million; 0.80% on the next \$50 million; and 0.70% on the balance over \$100 million. Further information regarding investment advisory fees is described in Part II A of the firm's form ADV. Actual fees paid by accounts in the Composite may differ from the current fee schedule.
- The three-year annualized ex-post standard deviation measures the variability of the Composite (using gross returns) and the benchmark for the 36-month period ended on December 31. The 3 year annualized standard deviation is not presented as of December 31, 2009 and December 31, 2010 because 36 month returns for the Composite were not available (N/A).
- Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
- A complete list of composite descriptions, policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
- Past performance is not indicative of future results.
- This piece is provided for informational purposes only and should not be construed as a research report, a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell or hold any of the securities mentioned, including any mutual fund managed by Brown Advisory.