

# NATIONAL MUNICIPAL BOND COMPOSITE

Year	Composite Total Gross Returns (%)	Composite Total Net Returns (%)	Benchmark Returns (%)	Composite 3-Yr Annualized Standard Deviation (%)	Current 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	7.1	6.7	5.6	1.8	1.9	226	0.3	2,360	42,426
2018	1.9	1.5	1.6	2.5	2.5	205	0.2	1,601	30,529
2017	4.4	4.0	3.5	2.4	2.5	142	0.3	993	33,155
2016	0.7	0.3	-0.1	2.5	2.4	134	0.3	883	30,417
2015	1.9	1.6	2.5	2.3	2.1	123	0.3	731	43,746
2014	5.7	5.4	4.7	2.4	2.2	45	0.5	415	44,772
2013	-1.1	-1.4	-0.3	2.5	2.5	24	0.4	283	40,739
2012	3.5	3.1	3.6	2.3	2.5	20	0.9	293	26,794
2011	6.8	6.5	7.6	3.4	3.2	9	0.8	48	19,962
2010*	3.7	3.3	3.1	4.5	4.2	12	0.6	25	16,859
2009	8.6	8.3	7.2	4.4	3.9	12	0.7	31	N/A

\* Returns prior to 2010 were earned at Brown Advisory Cavanaugh, LLC previously named Cavanaugh Capital Management Inc., therefore firm assets are not applicable.

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 National Municipal Bond Composite (the Composite) is comprised of all discretionary accounts with no material investment restrictions, which invest in tax-exempt fixed income securities of an intermediate target duration, and flexibility to invest in bonds from multiple states. At least 80% of the securities in each portfolio in the Composite will have credit quality ratings of A or better at the time of purchase. The minimum account market value required for composite inclusion is \$2 million. Prior to October 2012 the name of the Composite was Intermediate Municipal Bond (AMT-Free) Composite. The strategy remains the same except the maximum federal tax bracket requirement is relaxed. Prior to October 2012 the minimum account market value required for Composite inclusion was \$1 million.
- The Composite creation date is March 1, 2006. The Composite inception date is June 1, 1993.
- The current benchmark is the Bloomberg Barclays Municipal Bond 1-10 Year Blend (1-12) Index. The Bloomberg Barclays Municipal Bond 1-10 Year Blend (1-12) Index consists of a broad selection of investment-grade general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and preredempted bonds with maturities of at least 1 year and less than 12 years. It is an unmanaged index representative of the tax-exempt bond market. Bloomberg Barclays Indices are trademarks of Bloomberg or its licensors, including Barclays Bank PLC. 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.
- 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. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 0.375% on the first \$10 million; 0.25% on the next \$15 million and 0.20% on the balance over \$25 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.
- Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
- Portfolios in the Composite do not make material use of derivative securities.
- Duration is a measure of interest rate risk.
- 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.