

Form ADV Part 2A

Brochure

Brown Advisory Investment Solutions Group LLC

801-61732

901 South Bond Street, Suite 400

Baltimore, MD 21231

Phone: (410) 537-5400

E-mail: compliancegroup@brownadvisory.com

Web: www.brownadvisory.com

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This brochure provides information about the qualifications and business practices of Brown Advisory Investment Solutions Group LLC as well as its affiliated “relying adviser”, Brown Advisory GP LLC. If you have any questions about the contents of this brochure, please contact us at 410-537-5400 and/or compliancegroup@brownadvisory.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Brown Advisory Investment Solutions Group LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

We are a registered investment adviser with the U.S. Securities and Exchange Commission. 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, is 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 amendment filing includes updates to Item 10: Other Financial Industry Affiliations. There are no material changes in this filing.

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 our Baltimore address or by e-mail to compliancegroup@brownadvisory.com.

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Item 4 Advisory Business

Background

Brown Advisory Investment Solutions Group LLC (“BAISG” or the “firm”) is an investment adviser specializing in alternative investments. BAISG was founded in 2002 and is a wholly-owned subsidiary of Brown Advisory Management, LLC. It was previously named CDK Investment Management, LLC.

Advisory Services

BAISG offers advisory services to two primary audiences: 1) as a discretionary or non-discretionary investment advisor to BAISG-sponsored private funds, and 2) as an investment advisor to individuals and institutions.

Private Funds: The firm offers investment advice to a variety of single-strategy, multi-strategy and direct investment private funds sponsored by BAISG. The firm provides discretionary advice to broad multi-strategy funds covering many asset classes and investment approaches, and focused multi-strategy funds based on specific investment approaches (private equity, real estate, equity long/short, global macro strategies, event-driven strategies, credit-related, etc.). It offers non-discretionary investment advice to single-strategy funds that invest with a specific private equity or hedge fund manager, and in some cases to direct investment funds that take a debt and/or equity position in an individual private company.

The firm’s principals leverage their expertise in alternative investments to build funds focused on managers within the private equity, venture capital and hedge fund universes, and their experience in global capital markets to build funds with substantial non-U.S. exposure.

BAISG focuses on investing with established, experienced, performance-oriented managers and firms. Most multi-strategy funds are relatively concentrated and invest only in what BAISG principals view as top investment managers and ideas.

Individual and Institutional Clients: The firm also offers investment advice (both discretionary and non-discretionary) to individual and institutional clients in the form of asset allocation and portfolio construction recommendations as well as recommendations regarding specific investment managers. From time to time, the firm also assists in coordinating investment reports to investors. Engagements with clients are characterized by close attention to individual client return, volatility and downside protection targets; portfolios focused only on what the firm views as reputable managers in the industry; and in-depth communication with clients about the strategies of those managers, how those managers are performing and whether those managers’ ongoing portfolio decisions are consistent with their stated strategies. The firm emphasizes efficient diversification of portfolios--i.e. portfolios are relatively concentrated among top-tier managers, but populated by managers with relatively low performance correlation to each other. This approach offers the potential for meaningful outperformance while maintaining moderate volatility and downside protection.

Interests in BAISG’s private funds are privately offered only to eligible investors pursuant to exemptions available under the Securities Act of 1933, as amended (the “Securities Act”), and the regulations promulgated thereunder. Such investment vehicles are not registered with the Securities and Exchange Commission (“SEC”) as investment companies based on specific exclusions from the Investment Company Act of 1940, as amended (the “Investment Company Act”). Typically, interests in such investment vehicles are offered primarily to high net worth individuals as well as to institutional investors. Employees of BAISG and its affiliates may invest alongside other investors and advisory clients. Other qualified individuals who may not be employees of BAISG or another Brown Advisory entity, but who have pre-existing business relationships with the firm or industry expertise in the sector in which a fund may be investing, also may participate alongside other investors.

Tailored Advice and Client-Imposed Restrictions

Each private fund sponsored by the firm has its own investment objectives, strategies and restrictions. Certain funds focus on a narrow investment strategy while others pursue a broad investment strategy. BAISG prepares offering materials with respect to each fund that contain more detailed information, including a description of the investment objective and strategy or strategies employed and any related restrictions.

These serve as a limitation on the scope of BAISG's investment management of the fund. Separate account clients can also impose restrictions on the firm's management of individual accounts through documents relating to the investment program for the client. While separate accounts may be reasonably tailored based on the individual needs of a client, as agreed to with BAISG, none of the funds are tailored to meet the individualized investment needs of any particular investor ("investor"). Furthermore, an investment in a fund does not create a client-adviser relationship between BAISG and an investor. Further discussion of the strategies, investments and risks associated with a fund or separate account management is included in the relevant materials for each type of client.

Clients and investors must consider whether an investment in a particular fund or establishing an advisory relationship with BAISG is appropriate to their own circumstances based on all relevant factors including, but not limited to, the client's or investor's own investment objectives, liquidity requirements, tax situation and risk tolerance. Prospective clients and investors are strongly encouraged to undertake appropriate due diligence, including but not limited to a review of relevant offering materials for the funds or the documents relating to the proposed investment program for the separate account and the additional details about the firm's investment strategies, methods of analysis and related risks in Item 8 of this Brochure, before making an investment decision.

Assets Under Management

As of December 31, 2017 the firm had approximately \$3,852.2 million in regulatory assets under management. Of that total, approximately \$871.7 million represented discretionary assets and \$2,980.5 million represented non-discretionary assets.

Item 5 Fees and Compensation

Compensation

Funds Fees

BAISG or its affiliates generally receive management and/or administration fees in connection with BAISG-sponsored funds and may also receive incentive fees from advisory clients and investors in such funds. In general, the specific legal and/or organizational documents of the related advisory client or the investment management agreement between the firm and such advisory client describe the basic fee structure relevant to the advisory clients and investors. Management fees may be negotiable depending on the situation, may be paid in advance or in arrears and may vary for different investors, generally based on commitment size.

For services provided to certain separately managed accounts and clients, the advisory client may pay a fee to the firm or one of its affiliates, which may be in addition to any fees charged by pooled investment funds in which such managed account makes an investment. In general, the agreements in respect of any such portfolio investments describe the fee charged by the pooled investment funds.

Alternatives/Private Equity/Direct Investments

The firm generally charges the private investment alternative funds it manages a management fee, and from time to time also may charge an incentive fee. The management fees generally range from 0.40% to 1.25% of the net asset value of the alternative fund per year, generally are calculated and payable monthly in arrears and are deducted from accounts in the alternative funds. The incentive fees generally range from 5% to 10% of each alternative fund's yearly performance and are calculated annually, are generally subject to high water marks and are deducted from accounts in the relevant fund. Each fund's private placement memorandum or other offering document describes its fee structure in detail. Alternative fund investments by advisory clients of the firm and other investors, including with respect to firm-sponsored and non-firm-sponsored alternative funds, also may be subject to an account-level management 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.

Investors in private equity funds managed by the firm or one of its affiliates generally are subject to a 0.40% per annum administration fee on capital committed to BAISG-sponsored private equity funds, unless otherwise noted in the fund's private placement memorandum or other offering documents. Administration fees are generally paid by or on behalf of an advisory client by requiring investors in such advisory client 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 advisory client. Private equity investments by clients of the firm, including with respect to firm-sponsored and non-firm-sponsored funds, are generally subject to an account-level management fee, which may be negotiated and which typically is based on client assets under management or advisement.

In certain circumstances, the firm may charge a performance fee or carried interest allocation in lieu of charging an administration fee with respect to certain private equity funds it manages that make direct investments in designated portfolio companies. In these cases, BAISG or one of its affiliates generally is entitled to receive a 20% carried interest with respect to such investments. The manner of calculation and application of carried interest allocations are disclosed in the offering documents for each such fund. Performance fees are generally payable annually and are typically deducted from investment proceeds that would otherwise be distributed to the investors in the direct investment fund. In addition, investors in these funds are generally subject to the firm's account-level management fees, which typically are based on client assets under management or advisement and are negotiable.

This private equity/alternatives/direct investment administration, management and incentive fees are in addition to fees and expenses charged by the underlying funds and investments, as applicable, details of which are set forth in the funds' private placement memoranda or offering documents.

Management and administration fees, account-level fees, and carried interest allocations or similar profit allocations are subject to modification, waiver or reduction for particular investors, various investment levels or in connection with investments in multiple advisory client investment vehicles.

In general, the minimum level of investment for accounts participating in the alternative investment funds, the private equity funds and the direct investment funds sponsored by BAISG or its affiliates is \$100,000, which is subject to waiver at the discretion of BAISG or one of its affiliates. Additionally, all investors in this area must meet specific suitability requirements in order to invest, as described above. Specific opportunities may require higher levels of investment.

Separately Managed Account Fees

The firm or one of its affiliates charges its separately managed account clients a management fee, and occasionally, a performance fee. The advisory fees generally range from 0.25% to 1.00% of assets under management per year, and in some cases a tiered fee schedule may be implemented. Generally, fees are computed and payable quarterly in arrears or on such other basis as is mutually agreed with each client. All fees are negotiable. Separate account clients are billed for fees incurred.

Other Expenses

Clients will incur other expenses separate and apart from the firm's investment management fees, administration fees, and any performance fees. With respect to BAISG-sponsored investment funds, these expenses typically include the underlying manager's and underlying fund's advisory fees, performance-based fees, other fees and costs and expenses, and the costs and expenses of custodians, administrators, attorneys, tax advisors, consultants, data providers, operating executives and other professionals, trading and brokerage service fees, other transaction fees and broken deal expenses, and/or other expenses associated with an underlying fund or the type of services being performed, including without limitation, insurance, indemnity, litigation or extraordinary expenses and any taxes, fees or other governmental charges levied..

In the case of advisory clients that are firm-sponsored pooled investment vehicles, the investors in such advisory clients generally 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 incident thereto. In addition to the organizational and offering expenses, investors in advisory client funds will 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.

In addition, BAISG from time to time engages fund administrators and other service providers to perform certain functions for firm-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 advisory client investment funds.

The firm, its affiliates, and other funds sponsored by the firm and its affiliates may engage common service providers, such as administrators, lenders, attorneys, and custodians, from time to time. 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 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 may result 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).

Advance Billing

With respect to the BAISG-sponsored funds, the management or administrative fee is payable in advance or in arrears as reflected in the fund documents and is calculated and paid in US Dollars. With respect to managed accounts, management fees may be paid quarterly or monthly, in advance or in arrears, as agreed to with the client. Investors in the funds who withdraw or redeem from the fund generally will not be refunded any portion of the management fee payable for that calendar quarter. For separate accounts that are terminated prior to the end of the period, fees paid in advance will be refunded only if agreed to by the parties.

Sales Based Compensation

We may compensate employees for business development activity, including the attraction or retention of client assets.

Certain employees may be eligible to receive performance-based compensation for certain transactions initiated and executed by the Private Equity team. This compensation arrangement has the potential to incentivize members of the Private Equity investment team to pursue certain transactions. To ameliorate this risk, as part of the due diligence process, recommended Private Equity investments by firm-sponsored funds are discussed with the Private Alternative Strategies Committee prior to investment. That committee is comprised of members of Brown Advisory's executive team, members of the Balanced Portfolio Management team as well as investment members of the Private Equity Group. Brown Advisory's Conflicts Committee, which includes independent members of the Board of Directors of Brown Advisory Incorporated, reviews prospective private equity investments which may present conflicts of interest issues, as needed.

Item 6 Performance based fees and side-by-side management

BAISG and its affiliates currently act as investment adviser or manager to advisory clients. The firm charges performance fees, i.e. a fee based on a share of capital gains on or capital appreciation of the client's assets under management. As discussed in Item 5, BAISG and its affiliates may receive carried interest allocations and management or administration fees or other performance based fees, as applicable. With respect to BAISG and its affiliates, known or reasonably anticipated conflicts of interest involving BAISG or its affiliates are disclosed in the offering documents of the applicable advisory client provided to potential investors prior to their investment.

Each firm-sponsored investment vehicle typically has a specified investment objective defined by type of investment, investment strategy, risk/reward profile, projected hold period and/or other parameters. Investment opportunities that satisfy the investment objective of a particular advisory client typically will be allocated to that particular advisory client, although may be allocated among multiple advisory clients with overlapping investment objectives in accordance with the firm's allocation policies. The allocation of these investment opportunities across client portfolios invested in these strategies is generally executed on a pro rata basis, after considering investor suitability, account size, risk tolerance, as well as other factors. The Portfolio Manager has the discretion to construct what, in his business judgment, constitutes an appropriate investment portfolio for the particular advisory client. As such, in determining what they believe to be an appropriate portfolio for a particular advisory client, they may give consideration to factors in addition to those outlined above. As a result, it may not be desirable for an advisory client to participate in an investment opportunity or acquire all of an investment opportunity.

From time to time, certain investment opportunities may be appropriate for more than one advisory client, and also may be appropriate for investment by a fund or pooled investment vehicle managed by the firm or one of its affiliates. These investment opportunities are allocated in accordance with the firm's written policies and procedures, taking into account a range of factors, including the timing, complexity and size of the opportunity, the investment objectives and risk profile of the advisory client or relevant fund and the specific characteristics and requirements of the investment opportunity. The firm will also consider various preferences and requirements of the managers of the external investment opportunity.

In allocating investment opportunities, there could be incentives to favor a fund or other BAISG sponsored investment vehicle over advisory clients that have higher advisory or management fees. Additionally, carried interest allocations may create an incentive for the general partner (or similar managing fiduciary) of a BAISG-sponsored investment vehicle to make riskier or more speculative investments on behalf of such investment vehicle than would be the case in the absence of this arrangement.

As a general principle, BAISG requires that potential conflicts of interest be addressed by placing client interests before personal or proprietary interests. As a control, the firm has adopted a policy pursuant to which it seeks to allocate investment opportunities among advisory clients, including its funds, in a fair and equitable manner, bearing in mind, among other things, the size, investment objectives, mandate or policies, risk tolerance, return targets, projected hold periods, diversification considerations, permissible and preferred asset classes, and liquidity needs of each advisory client. The firm's policies prohibit the allocation of investment opportunities based on anticipated compensation to BAISG. Each advisory client typically has its own investment guidelines, governing agreements, and geographical and industry focus that must be taken into account when making investment allocation determinations. Final allocation decisions are under the purview of the firm.

Item 7 Types of Clients

BAISG provides discretionary and non-discretionary investment advisory services to institutional separate account clients and private investment funds organized and sponsored by the firm (the “funds”). The funds are typically organized as limited partnerships, limited liability companies, or similar legal entities. The funds are not considered “investment companies” as defined under the Investment Company Act of 1940, as amended (the “Investment Company Act”), pursuant to definition exemptions under Sections 3(c)(1) or 3(c)(7) of the Investment Company Act.

The firm also provides investment advice to separately managed accounts for institutions and high-net-worth individuals. Our clients and fund investors may include high-net worth individuals, pension funds, insurance companies, private banks, foundations, endowments, trusts, family offices and other institutions.

The minimum dollar amount of assets ordinarily required to invest in the Funds varies, but is typically at least \$100,000, and is subject to waiver at the firm's discretion. The minimum dollar amount of assets ordinarily required for the establishment of a separately managed account is \$25,000,000. Smaller accounts may be accepted on an accommodation basis or when it is deemed likely that the minimum dollar size will be achieved within a reasonable period of time. Clients of affiliates are generally subject to lower minimums.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

BAISG employs a dedicated team of analysts and portfolio managers that is responsible for sourcing and managing the firm's alternative investment strategies. These strategies cover a broad range of asset classes and investment approaches, including venture capital, private equity, buyout, real estate, and hedge funds, and the investment team's members collectively offer extensive experience and knowledge about each of these asset classes and investment styles. (Additionally, the firm employs a dedicated in-house administration group that oversees the administration of BAISG sponsored investments, including providing oversight of administration services provided by third parties.)

The firm employs a disciplined manager-research process, aimed at ensuring that its recommendations to clients are limited to reputable managers that demonstrate the potential for strong performance.

Sourcing: Manager candidates are initially identified through a variety of sources, such as the general experience and industry knowledge of BAISG principals, the networks of Brown Advisory colleagues, investment conferences, capital introductions by investment banks, manager referrals, and the recommendations of other respected hedge fund and private equity investors.

Screening: The screening process breaks the firm's coverage universe into peer groups by strategy, asset class and region. Managers are evaluated for their alpha generation, risk and volatility, as well as the consistency of their results from period to period, the quality of their team and their investment process. Results of this preliminary screen contribute to the firm's decision to commit to deeper due diligence.

Due Diligence: Once the firm begins deeper due diligence, the Investment Solutions Group ("ISG") investment team seeks to meet and interview various professionals of the candidate firm, including members of its investment team, to gain an in-depth understanding of investment strategy and process, and to determine whether the firm's portfolio decisions are consistent with its stated strategy. In particular, the team looks for managers with highly differentiated investment approaches relative to their peers, in the belief that such differentiation is a necessary ingredient of long-term outperformance versus that of its peers. Other factors considered include liquidity needs and concerns, risk tolerance, long-term performance track records, the outlook for the manager's approach given current market conditions, tax issues, fee levels and structures and other factors that may impact the alignment of manager and client interests.

Operational Due Diligence: When the investment team feels it is close to recommending an investment manager, the firm conducts an operational review, including document reviews, separate on-site meetings with financial and operations managers when possible, tests for robust controls, transparent valuation processes and high-quality service providers, asset confirmation, and select background checks.

Approval: Once all of these hurdles have been cleared, the firm's Investment Committee decides on whether to recommend the manager to clients. The Investment Committee's degree of confidence in each recommended manager is a determinant in the ultimate sizing of any allocation to said manager.

Ongoing Research: The firm's platform of recommended managers is subject to a rigorous ongoing review process, including regular review meetings with managers, weekly internal team meetings to review ongoing manager research activities, and regular meeting of the firm's Investment Committee to formally discuss Fund-related decisions. The firm employs a disciplined approach to taking action on managers that stray from expected performance, process, or operations.

Multi-strategy Portfolio Construction: Given that many of the firm's advisory relationships involve the creation of multi-strategy portfolios—either for multi-strategy fund offerings, or for the customized portfolios of individual and institutional clients—BAISG employs a robust portfolio construction process designed to ensure that portfolios align with stated return, and risk and volatility targets. The essential

ingredient to portfolio construction is customization—each fund and each individual or institutional client has a distinct set of return targets, risk constraints, liquidity preferences and other considerations, and the investment team devotes heavy attention to understanding and documenting these specific client targets and building tailored portfolios for each unique situation. Initial portfolio construction is followed up by a robust ongoing review process, which monitors significant changes in the characteristics of underlying investments, as well as any material changes in client requirements and preferences. This process guides ongoing decisions about adjusting portfolio allocation, changing managers or otherwise modifying a client portfolio.

Investment Risks

All investments in securities include a risk of loss of the principal invested amount and any profits that have not been realized. There is a risk that clients could lose all or a portion of their investment in any of the strategies. An investment in a strategy is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Financial markets fluctuate substantially over time. As recent global and domestic economic events have indicated, performance of any investment is not guaranteed. We cannot guarantee any level of performance or that clients will not experience a loss in their account assets.

Material Risk Relating to Methods of Investment Analysis

BAISG seeks to conduct reasonable and appropriate analysis and due diligence of its investments based on the facts and circumstances applicable to each investment. The objective of such analysis and due diligence is to identify attractive investment opportunities based on the facts and circumstances surrounding an investment, to identify possible risks associated with that investment. When conducting due diligence and making an assessment regarding an investment, the firm relies on available resources, including information provided by the target of the investment and, in some circumstances, third-party investigations.

As a result, the due diligence process may at times be subjective. Accordingly, BAISG cannot be certain that due diligence reviews of an investment opportunity will reveal or highlight all relevant facts (including fraud) that may be necessary or helpful in evaluating such investment opportunity, including the existence of contingent liabilities.

Lack of Operating History

Each BAISG-sponsored investment vehicle initially will be a newly-formed entity which has not commenced operations and therefore will have no operating history upon which an investor may evaluate its performance. The prior experience of the investment team, the performance of other investment vehicles or the performance of the underlying investments does not provide assurance of future investment performance or returns.

Fund of Funds

Firm-sponsored investment funds generally 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 BAISG-sponsored funds 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 may not be necessary to participate in one or more underlying funds.

Successor Funds and Previous Investments

The firm and its affiliates generally are not restricted from investing in, sponsoring, managing or advising investment vehicles which in some cases may compete with existing BAISG-sponsored funds. In addition, certain pooled investment vehicles sponsored by BAISG 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.

Uncertainty in the U.S. and Global Financial Markets

The upheavals in the United States and global financial markets that began in 2008 illustrated the possibility of extraordinary and unprecedented uncertainty and instability in such markets. There can be no assurances that conditions in the global financial markets will not adversely affect one or more of an advisory client's portfolio companies or other investments, its access to capital or leverage, or its overall performance.

Continuation of Trends and Conditions

The investment strategies of advisory clients and the availability of opportunities satisfying advisory clients' risk-adjusted return parameters may rely in part on the continuation of certain trends and conditions observed in the financial markets and in some cases the improvement of such conditions. There can be no assurances that the assumptions made or the beliefs and expectations currently held by BAISG will prove correct and actual events and circumstances may vary significantly.

Market Conditions and Financial Market Fluctuations

General fluctuations in the market prices of securities may affect the value of the investments held by an advisory client. Instability in the securities markets may also increase the risks inherent in an advisory client's investments.

Highly Competitive Market for Investment Opportunities

The business of identifying, structuring and implementing investments in private equity and alternative transactions is highly competitive. BAISG-sponsored funds compete for investments against other groups with substantial resources and experience, including institutional investors, investment managers and industrial groups owned by large and well-capitalized investors. Many investors, including funds-of-funds, may seek to invest in many of the same underlying funds in which firm-sponsored funds may also seek to invest. There can be no assurance that a firm-sponsored fund will be successful in its efforts to identify attractive investment opportunities, and it is possible that any capital committed to our funds will not be fully utilized if sufficient attractive investments are not identified and consummated. **Illiquid and Long-**

Term Investments

Investment in an advisory client fund may require a long-term commitment with no certainty of return. Many of an advisory client's investments will be highly illiquid, and there can be no assurance that an advisory client will be able to realize on such investments in a timely manner. An advisory client's ability to realize an investment can be dependent on the public equity markets (e.g., demand for new public offerings and security sales) and investments in publicly traded securities are subject to restrictions under relevant securities laws (e.g., Section 16 of the Securities Exchange Act of 1934, as amended). Although investments may occasionally generate some current income, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition or refinancing of such investment.

Investments Longer than Term

A BAISG-sponsored investment vehicle may make investments which may not be advantageously disposed of prior to the date such investment vehicle will be dissolved, either by expiration of its term or otherwise. In addition, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to investors will occur.

Risk of Limited Number of Investments

An advisory client may participate in a limited number of investments and, as a consequence, the aggregate return of such advisory client may be substantially adversely affected by the unfavorable performance of even a single investment. In addition, other than as set forth in the applicable advisory

client's governing documents (or investment management agreement in the case of a separately managed account), investors have no assurance as to the degree of diversification of an advisory client's investments, either by geographic region, industry or transaction type.

Absence of Regulatory Oversight

Notwithstanding that BAISG is registered as an investment adviser under the Advisers Act, and that the firm-sponsored investment vehicles advised by BAISG 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 1940 Act and, accordingly, investors are not afforded the protections of the 1940 Act.

Limited Access to Information

Investors' rights to information regarding a BAISG-sponsored investment vehicle will be specified, and strictly limited, in such investment vehicle's governing documents.

No Market for Interests; Restrictions on Transfers

Interests in the firm-sponsored investment vehicles advised by BAISG have not been registered under the Securities Act, or applicable securities laws of any U.S. state or the securities laws of any other jurisdiction and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and any other applicable securities laws or an exemption from such registration is available. There is no public market for the interests in such investment vehicles and one is not expected to develop. An investor will not be permitted to directly or indirectly assign, sell, pledge, exchange or transfer any of its interests or any of its rights or obligations with respect to its interests without the prior written consent of the general partner (or other similar managing fiduciary) of such applicable investment vehicle, which consent may be given or withheld in accordance with the governing documents of such applicable investment vehicle.

Risk of Investments in Less Established Companies

An advisory client may invest a portion of its assets in less established companies. Investments in such companies may involve greater risks than are generally associated with investments in more established companies. To the extent there is any public market for the securities held by the advisory client, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. Less established companies tend to have lower capitalizations and fewer resources, and therefore, are often more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow.

Third-Party Management Risk

The performance of BAISG advisory clients is largely dependent in part on the performance results achieved by the underlying funds in which the advisory clients invest. With respect to investments involving underlying funds, advisory clients or underlying investors generally will not have an active role in the day-to-day management of the underlying funds or the ability to direct the specific investment decisions made by the managers of the underlying funds. The failure of such unrelated investment managers to make profitable investments may have a negative impact on an advisory client's ability to achieve its investment goals. Additionally, the success of an underlying fund will to a great degree rely on the skill and experience of the managers of the underlying funds and their ability to manage a franchise successfully, generate attractive returns and retain key talent. Managers of underlying funds are likely to rely on a limited number of "key personnel," the departure of which could adversely impact the performance of the underlying fund.

Cybersecurity Risks

The firm's technology systems, and those of its affiliates and third parties who provide services to advisory clients, 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 BAISG has implemented various measures to manage risks relating to these types of events, if these 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 advisory clients and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors and their beneficial owners. Such a failure could harm a person's reputation and subject the firm and its funds to legal claims and impair business and financial performance.

BAISG believes that the primary aim of risk management is to protect capital, and has directed the quantitative and qualitative assessment of fund and portfolio risk to protect against downside loss. The firm defines risk management as the ability to identify, evaluate and then monitor risk exposures that are at work both at the strategy/market level as well as at the underlying fund level. With this multi-dimensional perspective it is possible to actively manage the risk within an investment portfolio and ultimately protect capital from unanticipated risks.

BAISG seeks to mitigate risks using the following methods:

- A due diligence methodology applied on an ongoing basis by an experienced team that ensures the firm does not invest in funds with inadequate operational controls.
- The due diligence performed manages the operational due diligence review process whereby an operational risk taken by a hedge fund manager that is deemed unacceptable requires the reviewing investment analyst to recommend vetoing that fund for investment.
- Avoidance of managers and firms with inadequate risk controls or inappropriate use of leverage, concentration or illiquid investments.
- Close communication with minimum transparency requirements from hedge fund managers.
- Frequent examination of portfolio allocations informed by exposure analysis that includes gross and net exposures by region and asset class as well as by overall strategy.
- Stress testing, back testing on a simulated basis.
- Utilizing the firm's systems to monitor results and react quickly to any concerns.
- Dedicated risk and Compliance functions detail policies and standards within which BAISG manages portfolios.

Externally managed funds that the firm recommends for investment to its clients are monitored on a regular basis to understand the underlying portfolio manager's and firm's objectives and risk appetite. BAISG's manager research team will then form a view as to the relative merit of the fund compared to its peers within the market. Any noninvestment risks uncovered are considered by the Operational Due Diligence process which can result in any fund's exclusion from the list of approved external managers if there are issues or concerns that the fund may lack the controls and standards required for institutional investment.

Using quantitative techniques such as stress testing and historic risk of loss estimation, BAISG assesses the downside risk of funds and determines a risk budget for a manager. At the portfolio level, portfolios are rigorously tested for accordance with the client objectives for returns, volatility, drawdown and or correlation, as appropriate. The results of such analyses are presented to the Portfolio Management staff who consider the appropriateness of the portfolio composition and approve all portfolio management decisions.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL OF THE RISKS INVOLVED IN AN OFFERING. POTENTIAL INVESTORS SHOULD READ THE OFFERING MEMORANDUM(S) IN ITS ENTIRETY BEFORE DETERMINING WHETHER TO INVEST IN THE PARTNERSHIP OR PRIVATE FUND.

Item 9 Disciplinary Information

Neither BAISG nor any of our supervised persons have been involved in any legal or disciplinary events (i.e., criminal or civil action in a domestic, foreign or military court, administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or self-regulatory organization) that are material to evaluating our advisory business or the integrity of the our management.

Item 10 Other Financial Industry Activities and Affiliations

Brown Advisory Group Holdings LLC (“BAGH”), a Delaware limited liability company, serves as the parent company of Brown Advisory Incorporated (“BAI”) and Brown Advisory Management, LLC (“BAM”). BAI, which is organized as a Maryland C corporation, serves as the manager of BAGH and the managing member of BAM. BAM, a Maryland limited liability company, is a holding company that serves as the parent company to several Brown Advisory subsidiaries.

Brown Advisory Investment Solutions Group LLC (“BAISG”) is an 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 was previously named CDK Investment Management, LLC.

We are affiliated through common ownership with Brown Advisory Direct Investments GP, LLC, which acts as a relying adviser with respect to certain funds managed by BAISG.

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.

AFFILIATIONS WITH BROKER-DEALERS AND/OR OTHER INVESTMENT ADVISERS OR FINANCIAL PLANNERS

We are affiliated with Brown Advisory, LLC (“BALLC”). BALLC is a registered investment adviser with the SEC and is a wholly owned subsidiary of BAM. BALLC is also registered as a Municipal Advisor with the SEC and the Municipal Securities Rulemaking Board (“MSRB”). BALLC is eligible to conduct registerable activities in Ontario in reliance on the International Adviser Exemption.

We are affiliated with Brown Advisory Securities, LLC (“BAS”). BAS is a wholly owned subsidiary of BAM and an SEC-registered investment adviser and broker-dealer. It is also a member firm of the Financial Industry Regulatory Authority (“FINRA”).

We are 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.

We are affiliated with Meritage Capital, LLC (“Meritage”) which is a Delaware limited liability company located in Austin, Texas that joined Brown Advisory in May 2018. Meritage is a wholly owned subsidiary of BAM and an SEC-registered investment adviser that provides investment advisory services to private pooled investment vehicles, investment advisory and sub-advisory services on a discretionary or non-discretionary basis to separately managed accounts and investment advisory or sub-advisory services to investment companies.

We are affiliated with Meritage Capital GP, LLC, which is a wholly owned subsidiary of Meritage Capital, LLC. Meritage Capital GP, LLC serves as the General Partner and acts as a relying adviser for certain private investment funds managed by Meritage.

We are affiliated with Brown Advisory Direct Investments GP, LLC, which acts as a relying adviser with respect to certain funds managed by BAISG.

AFFILIATIONS WITH INVESTMENT COMPANIES OR OTHER POOLED INVESTMENT VEHICLES

Brown Advisory, LLC has arrangements that are material to its advisory business with affiliated investment companies. BALLC serves as the investment adviser to affiliated mutual funds, Collective Investment Trusts, and Ireland-domiciled UCITS funds. BALLC also serves as the managing member of a private fund that invests in public and private securities.

BALLC also has arrangements to serve as sub-adviser to investment companies and pooled investment vehicles sponsored by other unaffiliated financial services firms. As a sub-adviser for these firms, BALLC

serves as an investment manager for vehicles that are subsequently marketed to the clients of other firms. Although BALLC manages portions of the funds, the names of the funds generally reflect the brand name of the unaffiliated firm. While other investment companies and pooled investment vehicles are clients of BALLC, the underlying clients in the funds are clients of the unaffiliated firm.

Meritage Capital, LLC provides investment advisory services to private pooled investment vehicles and investment advisory or sub-advisory services to investment companies.

AFFILIATIONS WITH BANKING OR THRIFT INSTITUTIONS

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

BIATC is a Maryland 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 Delaware 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 INSURANCE COMPANIES OR AGENCIES

We are affiliated with Brown Advisory Insurance Agency (“BAIA”), a state-licensed insurance agency and a wholly owned subsidiary of BAM that provides services to a limited number of BAS clients.

AFFILIATIONS WITH SPONSORS OR SYNDICATORS OF LIMITED PARTNERSHIPS

BAISG serves as the general partner, managing member, and/or investment manager of private vehicles and limited partnerships formed to facilitate investment opportunities for our clients. These vehicles may invest in both public and private equity securities. We and our affiliates may solicit clients to invest in these vehicles. In addition, we, or an affiliate may receive management and/or administrative fees for investments made in the private partnerships.

We are affiliated with Brown Advisory GP, LLC, which serves as the General Partner to certain funds managed by BAISG.

We are affiliated with Meritage Capital GP, LLC, which is a wholly owned subsidiary of Meritage Capital, LLC. Meritage Capital GP, LLC serves as the General Partner and acts as a relying adviser for certain private investment funds managed by Meritage.

OTHER RELATIONSHIPS OR AFFILIATIONS

We are affiliated with Brown Advisory (Hong Kong) Ltd., which is a wholly owned subsidiary of Brown Advisory Limited.

We may recommend or select other investment advisers and their products for our clients. We do not receive compensation, either directly or indirectly, from those advisers that would create a material conflict of interest, other than arrangements previously disclosed, such as the receipt of administrative services fees.

BALLC also has arrangements with select unaffiliated investment advisers whereby they serve as sub-adviser to investment companies and pooled investment vehicles sponsored by Brown Advisory. In these arrangements, Brown Advisory engages an external manager to provide investment management services for strategies that are outside the area of expertise of the internal investment team. For these relationships, the sub-adviser receives a fee, in arrears, equal to a rate in accordance with an agreed upon annual management fee schedule.

We also maintain a relationship with Savano Direct Capital Partners, LLC, through an ownership interest in Brown Savano JV, LLC (“BrownSavano”). BrownSavano was founded for the sole purpose of providing partial liquidity and asset diversification to individual shareholders in market-leading, later-stage private companies. BrownSavano Direct GP, LLC, which is owned by BrownSavano, serves as the General Partner for the BrownSavano Direct Capital Partners, L.P. private fund, a Delaware limited partnership. It focuses on providing partial liquidity to company founders, angels, active or departed employees, and corporate strategic investors. Certain employees of BALLC provide services to BrownSavano under an agreement between BrownSavano and BAI.

We are affiliated with NextGen Venture Partners, LLC (“NextGen”) which joined Brown Advisory in February 2018 and is focused on direct investing. NextGen is a Delaware Exempt Reporting Adviser registered in Virginia and a wholly-owned subsidiary of Brown Advisory NG, LLC, a Delaware holding company and a subsidiary of BAM. NextGen is a managing member of NextGen Ventures Fund I GP, LLC and various other special purpose vehicles.

Item 11 Code of Ethics, Participation or Interests in Client Transactions, and Personal Trading

OVERVIEW OF OUR CODE OF ETHICS

We are committed to maintaining the highest standards of professional conduct and ethics in order 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 the policies and procedures of the Code of Ethics. Any violations regarding the Code of Ethics must be brought to the attention of the Chief Compliance Officer. 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, limitation or prohibition of personal trading, suspension or termination of employment.

We will provide a copy of our Code of Ethics to any client or prospective client upon request.

PERSONAL TRADING

Since we recognize that 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 or related personnel may purchase or sell the same or similar securities for our own accounts that we purchase, sell or recommend for client accounts.

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

- Employees engage in unethical behavior.
- Personal trading of employees misuses material nonpublic information.
- Personal trading of employees is not supervised.
- Clients receive less favorable trading terms than our advisory employees.
- Abusive trading on the part of our advisory employees, including market timing.

While advisory personnel are permitted to trade within their own brokerage accounts, we have several policies and procedures in place designed to ensure that their personal trading does not violate our fiduciary obligations to clients, including any related mutual fund 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 and that does not raise the appearance of impropriety. In addition, it sets forth controls designed to avoid actual or potential conflicts of interest between clients and our employees. Controls in place include blackout periods for certain employees, pre-clearance of employee trades, holdings disclosure and other trading restrictions.

Our Code of Ethics includes the following general tenets:

- Within 10 days of commencing employment, each employee must submit an Initial Holdings Report to the Chief Compliance Officer or designee with information current as of a date no more than 45 days prior to the date the employee becomes an employee.
- Every year, each employee must submit an Annual Holdings Report to the CCO or designee. The information must be current as of a date no more than 45 days before the report is submitted.
- All employee security transactions require pre-approval or pre-clearance, except for accounts over which the employee has vested investment discretion to a third party or transactions that are exempt, including but not limited to open-end mutual fund shares, dividend reinvestment plans and U.S. government obligations.

- Employees must report securities transactions in employee-related accounts. This requirement may be satisfied by the Compliance Department receiving duplicate copies of confirmations of account activity for review. Outside brokerage accounts must be approved by the Compliance Department before opening.
- The Head Trader(s) and CCO or their designees are responsible for monitoring personal securities trading for compliance with the Code of Ethics and any indications of violations or unusual trading activity or patterns of transactions.
- Pending Trades—Employees may not purchase or sell a security in an employee-related account on a day during which any client or Fund has a pending order in the same (or an equivalent) security. This restriction applies until the client or Fund order has been executed or cancelled.
- Securities under Consideration—Employees may not purchase or sell a security in an employee-related account if such employee is aware that a transaction in the same (or an equivalent) security is being considered for any client or that a decision has been made to effect such a transaction.
- Fund Trades—Employees may not purchase or sell a security in an employee-related account for a period of four business days before and after a Fund trades the same (or an equivalent) security.
- Gray or Restricted Lists—Employees may not, in the absence of approval from the CCO or delegate, purchase or sell a security in an employee-related account if such security is restricted from employee trading on the firm's Gray or Restricted Lists.
 - The Gray List includes names of issuers whose securities may not be traded in certain accounts or under certain conditions. Exceptions may be granted on a case by case basis depending on the situation.
 - The Restricted List includes names of issuers whose securities may not be traded in any account due to an existing conflict or the possession of material inside information.
- With respect to the handling and use of material non-public information, employees are prohibited from purchasing, selling or recommending the purchase or sale of a security for any account while they are in possession of material inside information. Any employee who comes into possession of inside information is obligated to bring such information to the attention of the CEO, Chief Compliance Officer or Chief Investment Officer.
- Employees may not profit from the purchase and sale, or sale and purchase, of the same (or an equivalent) security on Brown Advisory's proprietary research list within 30 calendar days.
- All employees are prohibited from acquiring securities in an initial public offering.
- Employees may not acquire securities in an outside private placement without prior written approval of the CCO or designee.

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.

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 and/or act as an investment adviser to an investment company that we recommend to clients.

Potential conflicts that could arise include but are not limited to:

- Officer and Director Conflicts—Conflicts that involve a transaction to be entered into by us for ourselves, or by us on behalf of our clients, in which one of our officers or directors has a financial interest;
- Shareholder Conflicts—Conflicts that involve a transaction to be entered into by us for ourselves, or by us on behalf of our clients, in which a shareholder has a financial interest;
- Client Conflicts—Conflicts that involve a transaction to be entered into by us for ourselves, or by us on behalf of our clients, in which a client has a financial interest; and
- Situations where employees engage in unethical behavior and misuse material inside information.

To address these potential conflicts and protect and promote the interests of clients, we employ the following policies and procedures:

- We have adopted 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, we have a Conflicts Committee that is charged with reviewing certain transactions or arrangements that may represent a conflict of interest. The members of the Conflicts Committee are chosen by the independent members of the Board of Directors.
- Transactions to be entered into by us for ourselves or on behalf of our clients that present a material conflict of interest must be authorized, approved or ratified by the affirmative vote of a majority of Directors on the Conflicts Committee. Transactions to be entered into by us for ourselves or on behalf of our clients that present a non-material conflict of interest must be approved or ratified by our Chief Executive Officer.
- If we enter into a transaction on behalf of our clients that presents either a material or non-material conflict of interest, the conflict should be prominently disclosed to the client prior to the consummation of such transaction.
- Employees must comply with our policy on the handling and use of material inside 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 inside information. In addition, employees may not disclose confidential information except to other employees who “need to know” that information to carry out their duties to clients.
- Employees must report securities transactions in any employee-related account.
- Employees may not serve on the Board of Directors of any public or private company other than a Brown Advisory entity without prior written approval of the CEO or designee. An employee who is a director of a company may not participate in investment decisions involving that issuer’s securities.
- Employees are required to report to our Compliance Department all outside business activities. These include board/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.

BAISG or its affiliates may organize funds of funds or other products which may be managed, in whole or in part, by managers affiliated with us. Those products may have investment objectives substantially similar to those in which our Clients invest. Those products may also purchase or sell the same securities as our Clients, thus in effect be competing for the same investment opportunities. The Firm’s investment allocation policies are designed to provide a fair allocation of limited investment opportunities among all our clients. The purpose of these policies is to avoid favoring one client over another. BAISG will, to the best of its ability, treat all clients fairly and equitably regardless of the size of the account or the fee structure.

Section 206 of the Investment Advisers Act of 1940 (as amended, the “Advisers Act”) regulates principal transactions between and adviser and its clients. Principal transactions are transactions where BAISG (or one of its affiliates) is deemed to be acting for its own account by buying a security from, or selling a security to, an advisory client, including one of its funds.

As a general matter, BAISG does not engage in principal transactions. However, occasionally, to facilitate an investment opportunity prior to the initial closing of a fund, BAISG or one of its affiliates may warehouse an investment temporarily. Details of any such transactions typically would be disclosed in the offering documents of the fund. BAISG has established policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including providing any required disclosures and obtaining prior consents to the transaction.

CONFLICTS OF INTEREST

Personal interests both inside and outside of Brown Advisory that could be placed ahead of our obligations to clients could be the source of actual or potential conflicts of interest. Employees must remain aware that just the opportunity to act improperly may create the appearance of conflict and that conflicts may exist even in the absence of wrongdoing. Employees are required to make a full and timely disclosure of any situation that could result in a potential conflict or the appearance of a conflict of interest.

To identify potential sources of conflicts of interest and to assess how those conflicts are addressed by our compliance program, we perform regular reviews. This process has been developed and improved, since our inception, with the input from and oversight by our Board of Directors and Audit Committee. The three primary categories of potential conflicts of interest evaluated are (1) potential conflicts between the firm and our clients, (2) potential conflicts between our employees and our clients, and (3) potential conflicts between different clients.

Item 12 Brokerage Practices

Selection of Broker-Dealers

Not Applicable

Soft-Dollars Arrangement

Not Applicable

Brokerage for Client Referrals

Not Applicable

Directed Brokerage

Not Applicable

Aggregation (Bunching) of Transactions

Transactions in investment advisory accounts and on behalf of the Funds are implemented on a consistent basis across client portfolios. Aggregation of transactions may occur where the investment into a particular manager meets the investment criteria for clients with similar investment objectives and strategies. BAISG maintains a policy of fair allocation between portfolios where transactions are entered into on behalf of multiple clients.

From time to time, certain BAISG strategies may invest in private investments or limited investment opportunities. The allocation of these investments across client portfolios invested in these strategies is generally executed on a pro rata basis, while also considering investor suitability, account size, risk tolerance, as well as other factors. Our processes are designed to equitably and appropriately allocate these limited investment opportunities across clients invested in the strategy while also balancing the additional risk with the client's investment profile and investor suitability. In this regard, some private investments or limited investment opportunities may not be appropriate to allocate to some accounts, depending on factors such as minimum investment size, account size, risk profiles, relationship investment history with a particular manager, and diversification requirements. Accordingly, an account may not be allocated such investments. Clients who do not pay an account-level fee (e.g., private equity-only accounts) may not receive an allocation in capacity constrained situations. If an investment cannot reasonably be allocated on a pro rata basis, it may be allocated based on an alternate approach, including selection based on relationship size with BAISG, or another methodology deemed fair and equitable.

Certain limited investment opportunities may be deemed appropriate for investment by commingled fund-of-funds vehicles managed by BAISG. In such cases, where capacity is constrained, an affiliated fund-of-funds vehicle may be allocated its target investment allocation before non-discretionary accounts. BAISG believes this allows a broader population of qualified clients to receive exposure to such limited investment opportunities.

There are no additional costs to clients where transactions are aggregated.

Funds managed by the Firm typically consist of multiple portfolios/classes, each with its own subscription document and private placement memorandum. Although the composition of each distinct portfolio or class that comprise an entity fund could vary depending on the investment guidelines outlined in its corresponding private placement memorandum, the allocation of investments, income, and distributions within each distinct portfolio/ class are executed on a pro rata basis.

From time to time depending on requested redemptions from existing investors, inflows from new investors and other trading activity, there could be internal transfers of fund investments between different portfolios/classes of an entity fund. In these cases, documentation is retained with all changes occurring prior to the beginning of a new calendar month to ensure that the transfers are occurring in a manner that is consistent and that does not systematically advantage or disadvantage one investor or portfolio/class over another.

Item 13 Review of Client Accounts

Client Account Reviews

The portfolio managers review their accounts on a regular basis. Reviews are undertaken to confirm that the portfolio conforms to client suitability standards as well as to determine if any security changes need to occur. Portfolio managers review investments to confirm that they are consistent with the outlined investment objectives. Although the portfolio manager of an account makes the investment decisions, our Chief Investment Officer is responsible for overseeing portfolio managers, research analysts and all related functions. In this role, the Chief Investment Officer is charged with investment and risk oversight for the group, independent of the portfolio managers and other policy decision makers.

An Investment Committee meets at least once a month and reviews client portfolios for consistency with investment objectives. The Committee may adjust those holdings periodically in accordance with the agreed investment objectives and restrictions.

Client Reports

Generally, separately managed accounts will receive monthly or quarterly reports from their custodians. Private Fund investors generally receive annual audited reports and may receive unaudited reports and updates from BAISG on a monthly or quarterly basis. Underlying investors in private funds that do not receive GAAP-basis annual audited financial statements, receive quarterly partnership level statements from the qualified custodian that maintains custody of the assets. Depending on the contractual details of a client engagement, the Firm may provide performance reports, holding reports and market commentary on a regular basis.

Item 14 Client Referrals and Other Compensation

The Firm may enter into written solicitation arrangements with third parties (each a “Solicitor”). Under a solicitation arrangement, the Firm may pay a referral fee to Solicitors when the Solicitor successfully introduces a client or fund investor to the Firm. The amount of compensation is based on a negotiated percentage of the management fee and performance fee received by the Firm from each client. The solicitation arrangement does not affect the amount of fees paid by each client.

BAISG has entered into agreements with certain private placement agents with respect to the Funds and separately managed accounts for which it acts as investment manager. These agreements provide for BAISG compensating the private placement agents for investors referred to the Firm by paying a percentage of the fees received by BAISG. Employees of the Firm may receive compensation for investor referrals. BAISG may also enter into side letter agreements with specific investors affecting the nature and timing of the payment of fees and other contractual matters.

In addition, employees of other affiliates may be compensated for business development activity, including the attraction or retention of client assets. In these situations, employees receive any eligible compensation after the prospective client meeting has occurred and been approved by appropriate personnel. For employees additional compensation for business development activity could also result in additional equity in the firm.

From time to time, we may receive indirect compensation from service providers or third-party vendors in the form of entertainment, tickets to sporting events and gift cards. When received, these occasions are evaluated to ensure they are reasonable in value and customary in nature to ensure their occurrence does not present any conflicts of interest.

Item 15 Custody

Although we do not maintain direct custody of client assets, we act as the general partner or managing member of certain private investment vehicles and therefore are deemed by the SEC to have custody of those assets because we serve in a capacity that provides us with access to the assets.

In order to avoid any potential conflict of interest that indirect custody of client assets may cause, private vehicles as described above are either maintained with a “qualified custodian” or audited annually by an independent auditor who is a member of and subject to inspection by the Public Company Accounting Oversight Board (“PCAOB”), with such audits delivered to investors in compliance with the SEC’s Custody Rule.

Where assets are held by a qualified custodian, we will notify clients in writing of the qualified custodian’s name, address and the manner in which the assets are maintained at the time of investment and promptly following any changes to this information. To the extent that a private investment vehicle does not provide investors with annual, audited financial statements, such investors will instead receive quarterly account statements from the qualified custodian. Additionally, we undergo an annual surprise examination for that vehicle conducted by an independent auditor. The surprise auditors’ procedures for the examination may include confirmation of the vehicle’s assets as well as confirmation of contributions and withdrawals (or capital calls/distributions or subscriptions/redemptions).

Non-discretionary or segregated accounts are held in custody by the clients directly or by a custodian of the client’s choosing. BAISG does not provide custodial arrangements for segregated account assets.

Item 16 Investment Discretion

The Firm manages client assets on a discretionary and non-discretionary basis. When we have discretion, we have the authority to determine for each client what investments are made, as well as when and how they are made. For certain clients, their assets may be invested in one or more model portfolios, but clients may impose reasonable restrictions, limitations or other requirements with respect to their individual accounts.

Item 17 Voting Client Securities

BAISG understands and appreciates the importance of proxy voting and will generally manage the receipt of incoming proxies, maintain a log of all proxies, and place votes based on established policies and guidelines. In the course of exercising discretion to vote a proxy, BAISG will vote any such proxies in the best interests of advisory clients and in accordance with the procedures outlined below (as applicable).

Prior to voting any proxies, BAISG's Investment Committee will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the Investment Committee will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the Investment Committee will, following discussion with the Firm's investment personnel, make a decision on how to vote the proxy in question.

BAISG also has the flexibility to abstain from a particular proxy vote when it is determined to be in the best interest of investors. Please let the Firm's Chief Compliance Officer know if you have any questions about these procedures or if you would like detailed information of how any proxies were actually voted. The Chief Compliance Officer can be contacted at (410) 537-5400.

Client Proxy Voting Authority

BAISG operates a policy of exercising proxy votes for clients as permitted within client agreements. Voting policy is undertaken at all times in the best interests of clients and for their benefit. Clients who do not grant the Firm discretion to vote proxies on their behalf are responsible for voting their own proxies and, if they desire to do so, must arrange to receive proxy materials from the relevant custodians or transfer agents. BAISG does not provide any proxy related information, or advice as to how to vote proxies, to such clients.

Item 18 Financial Information

We have never been the subject of a bankruptcy petition and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual commitments to our clients.