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This Investment Management Client Disclosure Document provides information about the qualifications and business practices of Brown Brothers Harriman & Co., Investment Management Division. If you have any questions about the content of this Investment Management Client Disclosure Document, please contact us at 212-483-1818 or speak to your BBH relationship manager. The information in this Investment Management Client Disclosure Document has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority.

The delivery of this Investment Management Client Disclosure Document will not, under any circumstances, create any implication that the information set forth in this Investment Management Client Disclosure Document is correct as of any date subsequent to the date on the cover hereof or, if earlier, the date when such information is referenced.

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**TABLE OF CONTENTS**

**BBH OVERVIEW ..... 4**

**MATERIAL UPDATES..... 5**

**BBH INVESTMENT MANGAGEMENT BUSINESS..... 5**

- Overview..... 5
- Clients ..... 5

**BBH INVESTMENT MANAGEMENT SERVICES, PRODUCTS & FEES ..... 6**

- Equity..... 6
- Fixed Income ..... 8
- Private Funds..... 12
- Balanced Accounts..... 12
- Proprietary Mutual Funds ..... 13
- Unified Managed Accounts ..... 13
- Valuation..... 13
- General Investment Risks ..... 14
- Other Risks ..... 17
- Fees..... 18

**BBH INVESTMENT PROFESSIONALS..... 19**

**OTHER BBH PRODUCTS & SERVICES ..... 23**

- Investor Services..... 23
- Private Banking..... 24
- Other Advisory Services ..... 25

**ADMINISTRATION OF CLIENT ACCOUNTS..... 25**

- Review of Accounts..... 25
- Custody, Client Communications & Reports ..... 25
- Sub Advised Investment and Brokerage Discretion ..... 26
- Proxy Voting Policy ..... 33
- Class Action Lawsuit Recovery Policy..... 34
- Closing Accounts..... 34

**OTHER IMPORTANT INFORMATION..... 34**

- Tax & Legal Matters..... 34
- Disciplinary Actions..... 34
- Miscellaneous ..... 35

**Appendix A: BBH GENERAL PARTNERS ..... 38**

**Appendix B: BBH PRIVACY NOTICE ..... 39**

**Appendix C: ERISA 408b-2 DISCLOSURE..... 41**

## BBH OVERVIEW

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This Investment Management Client Disclosure Document (the “Client Disclosure Document”) provides an overview of Brown Brothers Harriman & Co. (“BBH” or “the Firm”), its affiliates, subsidiaries and services provided. BBH is a private bank, organized as a New York limited partnership. Although BBH is exempt from registration as an Investment Adviser with the U.S. Securities and Exchange Commission (the “SEC”), this Client Disclosure Document is designed to provide descriptions of practices that registered investment advisers disclose to their clients. The Firm provides this Client Disclosure Document to its investment management clients and may provide it to investors in certain of BBH’s investment funds, registered and unregistered, for which BBH or its affiliates serve as the investment adviser, sponsor, administrator, and/or custodian in other capacities (“Proprietary Funds”). However, this Client Disclosure Document is not intended to state or imply that BBH is a registered investment adviser or that it is subject to the requirements of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), other than as identified below. If you have any questions regarding BBH or its business practices, please discuss them with your BBH relationship manager (“RM”) prior to investing. We strive to provide you with up-to-date information and invite you to visit our website ([www.bbh.com](http://www.bbh.com)) for important information, including updates to this document.

BBH was founded in 1818 and remains one of the oldest continuously operated private partnership banks in the United States. BBH is owned and managed by the partners listed in Appendix A. In addition to offering a range of investment management services for institutions, individuals and families, BBH participates in businesses, including, but not limited to: global custody, foreign exchange, lending, private equity investing, and personal trust & estate administration.

Licensed by the New York State Department of Financial Services (“NYSDFS”) as a Private Banker, BBH is authorized to accept deposits, grant loans, and generally conduct a banking business including acting as a custodian of funds and securities. Assets held at BBH are not Federal Deposit Insurance Corporation “FDIC” insured and are subject to investment risks, including possible loss of the principal invested.

As a bank, BBH is exempt from registration with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). BBH does, however, maintain a “Separately Identifiable Department” (the “SID”) that is a SEC registered investment adviser. The SID, also known as the “Brown Brothers Harriman Mutual Fund Advisory Department”, is an adviser or sub-adviser to mutual funds that are registered under the Investment Company Act of 1940, as amended (“Mutual Funds”) and to collective investment funds organized as Undertakings for Collective Investments in Transferable Securities (“UCITS Funds”). The SID first registered with the SEC in 2001.

In this Client Disclosure Document, we refer to any Mutual Funds, UCITS Funds or other pooled investment vehicles sponsored or managed by BBH, together as “BBH Funds”.

As of June 30, 2018, BBH’s Investment Management line of business oversaw \$52.5 billion as an adviser to its private and institutional clients, including the SID. \$52 billion is managed on a discretionary basis and \$0.5 billion is managed on a non-discretionary basis.

BBH’s primary regulator is the New York State Department of Financial Services (“NYSDFS”). In 2016, BBH established a Limited Purpose Broker Dealer subsidiary (Brown Brothers Harriman Investments, LLC (“BBHI”), for the purpose of offering interests in registered and private funds. BBHI is a member firm of the Financial Industry Regulatory Authority (“FINRA”). BBH is registered in certain individual states in connection with its securities and/or advisory activities. The trust services are provided by BBH’s subsidiary trust companies, Brown Brothers Harriman Trust Company, N.A. and Brown Brothers Harriman Trust Company of Delaware, N.A. (collectively, the “National Trust Companies”), which are

subject to examination and regulatory oversight by the Office of the Comptroller of the Currency, and Brown Brothers Harriman Trust Company (Cayman) Limited, which is subject to examination and regulatory oversight by the Cayman Islands Monetary Authority (“CIMA”). The National Trust Companies (but not BBH) are each member banks of the Federal Reserve System. BBH Luxembourg Funds (“UCITS”) is registered in the Grand Duchy of Luxembourg and is subject to the supervisory authority of the Commission de Surveillance du Secteur Financier (the “CSSF”).

## **MATERIAL UPDATES**

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While there have been no material changes to BBH’s Investment Management business, this Client Disclosure Document has been updated to reflect new strategy offerings, changes in certain key personnel, address new regulatory developments and provide updated or additional disclosures.

## **BBH INVESTMENT MANAGEMENT BUSINESS**

### *Overview* -----

Through our Investment Management business, BBH offers a range of fixed income and equity investment management services for both taxable and tax-exempt clients, including coverage of municipal securities, taxable securities and inflation-indexed securities, as well as large-cap U.S. equity, mid-cap U.S. equity, small cap U.S. equity and non-U.S. equity securities. Generally, investment advice is furnished on a discretionary basis. BBH’s services are provided pursuant to written agreements.

In the course of managing client portfolios BBH obtains third-party information and/or assistance. While the SID itself may act as a sub-adviser, the SID may also hire entities to provide sub-advisory and other investment-related services to certain accounts. These third-party sub-advisers may themselves be advisers to other investment advisers or vehicles, including their own proprietary funds. BBH’s SID reviews the sub-advised portfolio’s compliance with portfolio investment guidelines, as well as BBH’s own investment guidelines.

### *Clients* -----

BBH is an investment manager to institutions and occasionally private clients with significant assets. Clients include:

- Public Funds and Pensions
- Central Banks and Financial Institutions
- Insurance Companies
- Endowments and Foundations
- Government Institutions
- Private Investment Companies
- Corporations
- Settlement Trusts
- Other Advisory clients such as Taft Hartley Plans
- Registered Investment Companies
- Société D’investissement à Capital Variable – “SICAVs”

**BBH Investment Management Services, Products & Fees**

*Equity* -----

▪ **Investment Strategy & Philosophy**

BBH’s equity investment philosophy centers on active management and fundamental analysis of individual companies. We seek to invest primarily in cash generative businesses that are leading providers of essential products and services. We believe that purchasing the equity securities of such companies when they are trading at a discount to our estimate of intrinsic value is an effective way to enjoy the benefits of equity ownership (namely, higher capital appreciation over time) while reducing the risk of permanent capital loss over the long term. While the firm typically takes a long-term investment approach to managing client accounts, BBH may at times engage in short-term trading (i.e., holding securities less than 30 days).

▪ **Investment Types**

The types of equity securities that BBH may invest in on behalf of clients include, without limitation, exchange-listed securities, securities traded over-the-counter, foreign securities, and exchange-traded funds (“ETFs”). BBH may also invest, when appropriate, in derivative instruments such as warrants, American Depository Receipts, Global Depository Receipts, commodity interests (e.g., forwards, futures and swaps) and options. Please refer to the section entitled “OTHER IMPORTANT INFORMATION: Miscellaneous, Commodities/Futures Trading” for more information on derivatives trading. In most cases, derivative investments will involve greater volatility and more limited liquidity than cash market investments. The potential for gain or loss exists in both the cash and derivatives markets.

▪ **Methods of Analysis**

Our equity investment team consists of portfolio managers supported by investment analysts who work collaboratively with each other to identify, analyze, and monitor portfolio companies. The analysts evaluate industry structure and communicate with knowledgeable industry participants (and when appropriate, company management teams) to assess whether companies meet our business, management, and valuation criteria. Where warranted, they may also use outside consultants and research materials. They also explicitly identify key business risks and any variables outside of management’s control. Outside research materials/analytical tools used may include:

Research Materials/Analytical Tools
<ul style="list-style-type: none"> <li>• Company management meetings</li> <li>• Annual reports, prospectuses, filings</li> <li>• Company press releases and presentations</li> <li>• Inspections of corporate facilities and activities</li> <li>• Financial newspapers and industry publications/websites</li> <li>• Expert networks</li> <li>• Research provided by third parties</li> </ul>

▪ **Specific Service Offerings**

The descriptions of strategies below, as applied to particular investment mandates, are qualified in their entirety by the Investment Management Agreement and corresponding investment guidelines.

Equity investment management services provided to our clients generally include one or more of the following:

- ❖ **Core Select:** “Core Select” is BBH’s proprietary large cap public equity investment management strategy. Core Select normally will invest in publicly traded equity securities issued by domestic and foreign firms both directly and in the form of depository receipts representing an interest in those securities. The Core Select equity strategy blends aspects of growth and value investing. Core Select typically invests in companies with market capitalizations of \$5 billion or greater that are headquartered in North America, as well as certain global firms located in other developed regions. Core Select may also invest in companies with market capitalizations of less than \$5 billion. For our Core Select portfolios we employ fundamental analysis and seek to analyze each company’s business, management, and valuation. The criteria that we seek in each area, where appropriate, are as follows:
  - Business Criteria – (i) leadership in an attractive market niche or industry, (ii) sustainable competitive advantages, (iii) essential products or services, (iv) loyal customers, (v) high returns on invested capital, and (vi) strong free cash flow;
  - Management Criteria – (i) high levels of integrity, (ii) excellent operators, and (iii) disciplined capital allocation; and
  - Valuation Criteria – a meaningful discount to a growing estimated intrinsic value per share. Intrinsic value calculations are based on BBH’s analyses of free cash flow and return-on-invested capital.

Core Select seeks to provide investors with long-term growth of capital. We seek to own approximately 25-35 companies in Core Select equity portfolios which we believe provides reasonable diversification across industries, while enabling us to invest in a relatively concentrated portfolio of companies that meet our demanding business and valuation criteria. When purchasing a company, our time horizon is typically three to five years, but investments are usually sold if they appreciate to levels near our estimate of intrinsic value. We seek to follow a “buy and own approach,” owning businesses for many years, which we believe leads to stronger results and risk control over market cycles. We do not seek to trade in and out of stocks for small gains. While not a determining factor, we may consider tax implications when deciding whether or not to sell a particular investment. As a result of our disciplined investment process, the Strategy may, at times, hold large amounts of cash.

- ❖ **Global Core Select:** “Global Core Select” will invest primarily in publicly traded securities of companies that are located anywhere in the world, including in the United States. Global Core Select will invest in equities issued by U.S. and non-U.S. firms both directly and in the form of depository receipts representing an interest in these securities. Although the Fund will invest primarily in common stock, the Fund may purchase other types of securities as long as they meet the investment criteria. The Fund will not be required to allocate its investments among any particular countries or in set percentages. Under normal circumstances, however, Global Core Select portfolios are comprised of at least three different countries and invest at least 40% of net assets in securities of non-U.S. companies. For these purposes, “non-U.S. companies” are firms that are organized, have a majority of

their assets, or generate the majority of their revenues and/or operating income outside the United States. Investments in equity securities will generally be in large and mid-cap companies with a market capitalization of \$3 billion or greater. The strategy may invest in equity securities, depositary receipts, participation agreements and other derivative instruments to gain exposure to non-U.S. companies. Securities may be purchased in currencies other than the U.S. dollar that may or may not be hedged. The criteria that we seek in each area, where appropriate, are as follows:

- ❖ Business Criteria – (i) leadership in an attractive market niche or industry, (ii) sustainable competitive advantages, (iii) essential products or services, (iv) loyal customers, (v) high returns on invested capital, and (vi) strong free cash flow;
  - Management Criteria – (i) high levels of integrity, (ii) excellent operators, and (iii) disciplined capital allocation; and
  - Valuation Criteria – a meaningful discount to a growing estimated intrinsic value per share. Intrinsic value calculations are based on BBH’s analyses of free cash flow and return-on-invested capital.

Global Core Select seeks to provide investors with long-term growth of capital. The strategy seeks to invest in approximately 30-40 companies that meet its demanding investment criteria. When purchasing a company, our time horizon is typically three to five years, but investments are usually sold if they appreciate to levels near our estimate of intrinsic value. We seek to follow a “buy and own approach” by owning businesses for many years, which we believe leads to stronger results and risk control over market cycles. We do not seek to trade in and out of stocks for small gains. While not a determining factor, we may consider tax implications when deciding whether or not to sell a particular investment. As a result of our disciplined investment process, the Strategy may, at times, hold large amounts of cash.

**Fixed Income** -----

▪ **Investment Strategy & Philosophy**

BBH uses a fundamental, value-based approach to fixed income management. Our fixed income management philosophy is grounded in the belief that credit spreads are more volatile than underlying fundamentals, creating substantial misalignments of value and price. To take advantage of these opportunities, we follow a patient, value-driven strategy.

We use a team approach to execute our strategy, reviewing the research and knowledge of analysts, portfolio managers and traders in a process of transparent and open debate. The team uses a well-established credit criterion to identify potential credits for portfolio inclusion. Credit valuations drive portfolio construction, that is, we build sector allocations and portfolios "bottom-up" based on the quantity and intensity of available individual valuation opportunities.

We believe that preservation of capital is critical to investing success. We attempt to manage this risk through independent fundamental research and valuation discipline, rather than any particular benchmark. There is no guarantee that a particular account will achieve its investment objectives.

▪ **Investment Types**

Fixed-income investments may include cash market corporate debt, asset-backed securities, commercial mortgage-backed securities, municipal securities, U.S. and non-U.S government securities, and non-U.S. dollar denominated fixed income instruments. Certain fixed-income strategies may also include investments in commodity interests (e.g., treasury futures), 144A securities, derivative/structured products, including swaps, fixed or floating rate loans or similar instruments that may be more volatile and less liquid than cash market fixed-income securities. Cash market and derivatives fixed income instruments can create gains or losses to client accounts depending upon security-specific, market and macroeconomic factors. We offer municipal and “crossover” fixed income strategies that seek to maximize after-tax return.

▪ **Methods of Analysis**

Our fixed income analysis and research is performed internally. Both credit and quantitative analysis are fundamental parts of our investment management process. We have structured our fixed income team to allow for functional specialization in the following areas:

Credit	Quantitative
<ul style="list-style-type: none"> <li>▪ Security Analysis</li> <li>▪ Monitoring</li> <li>▪ Industry Trends</li> <li>▪ Credit Trends</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expected Returns</li> <li>▪ Model Development</li> <li>▪ Optimization</li> <li>▪ Risk Quantification</li> <li>▪ Return Attribution</li> </ul>

Outside research materials/analytical tools used may include:

Research Materials/Analytical Tools
<ul style="list-style-type: none"> <li>• Financial Newspapers and industry publications</li> <li>• Inspections of corporate facilities and activities</li> <li>• Research Prepared by Third Parties</li> <li>• Rating Services</li> <li>• Collateral Tracking and Data Services</li> <li>• Annual Reports, Prospectuses, and Filings</li> <li>• Company Press Releases</li> </ul>

▪ **Treasury Futures**

BBH may use U.S. Treasury futures contracts for a variety of purposes in connection with the management of the interest rate exposure of client portfolios. BBH's use of such contracts for a portfolio could include, but is not limited to, adjusting the overall interest rate exposure, or “duration,” of the portfolio; changing the exposure of the portfolio to different parts of the yield curve; offsetting the impact of special situations that affect specific securities (e.g., tender offers); and maintaining portfolio interest rate exposure as large portfolio contributions or withdrawals occur. BBH's use of Treasury futures is subject to a client’s investment guidelines and the client’s completion of the necessary documentation with a futures commission merchant. BBH is not a futures commission merchant.

While transactions in Treasury futures may reduce certain risks, these transactions themselves entail certain other risks. Unanticipated changes in interest rates or securities prices may result in a poorer overall performance for a portfolio than if it had not entered into any Treasury futures transactions. In the event of adverse price movements, a portfolio may be required to make daily cash payments to maintain its required margin. If the portfolio has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements at a time when the portfolio manager would not otherwise elect to do so. In addition, a portfolio may be required to deliver or take delivery of instruments underlying the Treasury futures it holds. A portfolio may suffer losses if it is unable to close out its position because of an illiquid secondary market, and there is no assurance that a portfolio will be able to close out its position when BBH considers it appropriate or desirable to do so. In general, derivatives, including Treasury futures, may involve risks different from, and potentially greater than, those of the underlying securities. To the extent a portfolio uses Treasury futures, it is exposed to additional volatility and potential losses resulting from leverage. Losses (or gains) involving Treasury futures contracts can sometimes be substantial—in part because a relatively small price movement in a Treasury futures contract may result in an immediate and substantial loss (or gain) for a portfolio.

▪ **Credit Default and Interest Rate Swaps**

BBH may use credit default swaps (“CDS”) to either gain exposure or to hedge an account’s exposure to issuer credit risk. CDS agreements specify that one party pays a fixed periodic coupon for the life of the agreement to another party. The other party makes no payment unless a credit event, relating to a predetermined security, occurs. If such an event occurs, the party will make a payment to the other party and the swap will be terminated. The size of the payment is usually linked to the decline in the reference security’s market value following the occurrence of the credit event. BBH's use of CDS is subject to a client’s investment guidelines.

Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market values of fixed income securities tend to decrease. Conversely, as interest rates fall, the market value of fixed income securities usually increases. This risk may be greater for longer maturity versus shorter maturity securities. BBH may attempt to minimize the exposure of its Funds and client portfolios to interest rate fluctuations by using interest rate swaps (“IRS”). However, there can be no guarantee that BBH will be successful in fully mitigating the impact of interest rate changes.

Most CDS and IRS agreements entered into by clients calculate the obligations of the parties to the agreement on a “net basis.” Consequently, a client’s current obligations (or rights) under a swap agreement will generally be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the

agreement (the “net amount”). A client’s current obligations under a swap agreement will be accrued daily (offset against any amounts owed to a client) and any accrued but unpaid net amounts owed to a swap counterparty will be covered by the segregation of assets determined to be liquid by BBH in accordance with its procedures. Transactions in CDS and IRS can entail counterparty risk (i.e., the counterparty’s ability to pay on its obligations) as well as other market risks. The leverage used in many CDS transactions and a widespread market downturn could lead to defaults thereby reducing the ability of the risk buyer to meet their obligations.

▪ **Loan Participations and Assignments and Other Direct Indebtedness**

BBH may purchase fixed and floating-rate loans, which generally will be in the form of loan participations and assignments of portions of such loans. Loan participations and assignments involve special types of risk, including credit risk, interest rate risk, liquidity risk, and the risks of being a lender.

BBH may purchase loan participations in commercial loans. Such indebtedness may be secured or unsecured. Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates. A client account may participate in such syndications, or can buy part of a loan, becoming a part lender. When purchasing loan participations, the portfolio assumes the credit risk associated with the corporate borrower and may assume the credit risk associated with an interposed bank or other financial intermediary. The participation interests that a portfolio manager intends to purchase may not be rated by any nationally recognized rating organization.

A loan is often administered by an agent bank acting as agent for all holders. The agent bank administers the terms of the loan, as specified in the loan agreement. In addition, the agent bank is normally responsible for the collection of principal and interest payments from the corporate borrower and the apportionment of these payments to the credit of all institutions that are parties to the loan agreement. Unless, the account has direct recourse against the corporate borrower under the terms of the loan or other indebtedness, the account owner may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower.

A financial institution’s employment as agent bank might be terminated in the event that it fails to observe a requisite standard of care or becomes insolvent. A successor agent bank would generally be appointed to replace the terminated agent bank, and assets held by the agent bank under the loan agreement should remain available to holders of such indebtedness. However, if assets held by the agent bank for the benefit of a portfolio were determined to be subject to the claims of the agent bank’s general creditors, a portfolio might incur certain costs and delays in realizing payment on a loan or loan participation and could suffer a loss of principal and/or interest. In situations involving other interposed financial institutions (e.g., an insurance company or governmental agency), similar risks may arise.

▪ **Specific Offerings for Fixed Income Institutional Clients**

Fixed income investment management services provided to our institutional clients generally include one or more of the following:

- ❖ **Liquidity Management:** seeks to protect capital, while maintaining high liquidity and generating steady income.

- ❖ **Intermediate and Core Fixed Income Management:** seeks to protect capital and generate attractive risk-adjusted returns for tax-exempt institutions that have an intermediate or longer investment horizon.
- ❖ **Credit Value:** seeks to protect capital and generate attractive risk-adjusted returns by investing in credit opportunities that we believe have the highest potential for excess returns through active portfolio management.
- ❖ **Crossover Portfolio Management:** seeks to protect capital and generate attractive risk-adjusted returns for taxable clients through tax-efficient portfolio management while meeting clients' specific investment requirements including, among other things, gain/loss recognition.
- ❖ **Municipal Bond Management:** seeks to protect capital for taxable investors and generate attractive risk-adjusted returns with the benefits of tax-sheltered income.
- ❖ **Inflation-Indexed Securities Management:** seeks to manage the purchasing power of assets predominantly through investments in inflation-indexed securities, which provide a contractual real or inflation-adjusted return.

**Private Funds** -----

BBH may manage certain strategies through onshore and offshore vehicles that are privately offered.

Investing in private funds is not suitable for all clients. These investments are intended solely for accredited investors and/or qualified purchasers who are willing to bear any and all of the following risks:

- Loss of all or substantially all of an investment
- Lack of liquidity
- Volatility of returns
- Possible lack of diversification relative to mutual funds
- Limitation on transfer or assignment of the interests in the investment vehicle
- Delays in tax reporting
- Less regulation and higher fees than mutual funds

**Balanced Accounts**-----

BBH may allow investors to combine several strategies into single portfolios or "Balanced Accounts."

When a portion of a client's portfolio is invested in BBH Funds, for which BBH or its affiliates receive management fees from the BBH Fund, BBH does not include the value of such funds when calculating the investment advisory fees charged to a client's account. If a client's portfolio or account is invested in BBH Funds and BBH or its affiliates does not generally retain management fees from the BBH Fund, BBH will include the value of such BBH Funds when calculating your account fee.

Accordingly, clients will not pay two levels of fees for investment management services provided by BBH or its affiliates on a client's investment in BBH Funds. BBH Funds may engage a third-party manager who will receive an investment management fee from the BBH Fund and such fees will be in addition to any fees for investment management services provided by BBH or its affiliates, whether received from the advisory account or the BBH Fund.

If a Client Account is invested in unaffiliated Funds, the client will pay its share of the investment advisory and other fees incurred by the unaffiliated Funds in addition to the advisory fees charged to Client Accounts by BBH. BBH generally does not include the value of affiliated funds when calculating the investment advisory fees charged to a client's account.

***Proprietary Mutual Funds***-----

BBH's SID acts as investment adviser to several BBH sponsored registered Mutual Funds and UCITS Funds. All descriptions of the Mutual Funds and UCITS Funds, their objectives, strategies, and risks are qualified in their entirety by the Prospectus and Statement of Additional Information for the Mutual Funds and the Prospectus and the Key Investor Information Document for the UCITS Funds.

Irrespective of how BBH collects investment management fees with respect to investments in BBH Funds, investors in a BBH Fund will bear their portion of the BBH Funds' expenses assessed by the BBH Fund including, but not limited to, administrative fees, custody fees, start up and ongoing expenses, shareholder servicing fees, as applicable, some of which will be paid to BBH in its capacity as service provider to the BBH Fund. Such expenses may be subject to a cap.

***Unified Managed Accounts***-----

BBH may provide investment advisory services to the sponsors of Unified Managed Accounts. Such services may include the delivery of model portfolios based on BBH's investment strategies to such clients or to overlay managers providing services on behalf of such clients. BBH will provide such documentation to these clients as they may request from time to time in support of this service.

***Valuation***-----

BBH typically values assets using the most recent sale price on that exchange on the value date as of the value time. If no such sales are reported, BBH will generally use readily-available market quotations that it receives from independent, third-party pricing services. These quotations are based on standard lot transactions. BBH may use broker quotes when third-party pricing services do not provide values, although broker quotes are not necessarily determinative of fair value if an active market does not exist for the security. With respect to exchange-traded equities, equity derivatives, and fixed-income assets, in the event market quotations are unavailable, or BBH determines in good faith that such quotations may be unreliable, or when an active market for a security does not exist (such as may be the case during periods of extreme market uncertainty), BBH may price the securities using an internal methodology. These prices will be estimates of fair value as of the valuation date, and BBH makes no representation or warranty that assets can be sold at the estimated price. There may be instances where vendor prices are unavailable or unreliable and BBH may determine not to provide an internal estimate of fair value. In this case, no price will appear on the monthly statement or otherwise. BBH may face conflicts of interest in valuing the securities or assets in a client's portfolio that lacks a readily ascertainable market value as the value of the assets managed by BBH will affect BBH's compensation. BBH values such securities and other assets in accordance with established valuation policies and procedures.

**General Investment Risks**-----

Investing in securities involves risk of loss that clients should be prepared to bear. The value of assets held in a client's account or portfolio is subject to a variety of factors, such as the liquidity and volatility of the securities markets. Investment performance of any kind is not guaranteed and BBH's or its employees' past performance with respect to other portfolios does not predict future performance with respect to any particular account or portfolio. In addition, certain types of investments may pose greater risks and, in some instances, increased volatility and lack of liquidity. The below summary is not meant to describe all risks related to investments or potential investments in securities products. For specific risks related to any particular investment that your account or portfolio may invest, please speak to your RM or refer to the investment's offering document(s), if applicable.

**Risks related to Fixed Income Securities:**

- ❖ **Bond risk.** Compared to other markets, the bond market is relatively less volatile, and investments in bonds carry interest rate risk. Bonds also carry the risk of issuer or counterparty default, issuer credit risk, and inflation risk.
- ❖ **Interest rate risk.** Fixed income security prices may decline due to rising interest rates. Fixed income securities with longer maturities are generally subject to greater price volatility than obligations with shorter maturities.
- ❖ **Credit risk.** Credit risk refers to the likelihood that an issuer, guarantor, or the counterparty to a derivative contract or repurchase agreement, will default on interest or principal payments. For asset-backed and commercial mortgage-backed securities, there is risk that the impairment of the value of the collateral underlying the security, such as non-payment of loans, will result in a default on interest or principal payments. Credit risk is heightened to the extent the Fund invests in below investment grade securities.
- ❖ **Liquidity risk.** The risk that an investment cannot be bought or sold in the market in a timely manner. The levels of liquidity may depend on the asset type, the size of a position and the liquidation horizon. Securities that are subject to legal or contractual restrictions (such as private placements and certain restricted securities) may be difficult to value accurately and sell at a price deemed to be representative of their value.
- ❖ **Call risk.** During periods of declining interest rates, issuers of callable bonds may repay securities with higher interest rates before maturity. This could cause an account to lose potential price appreciation and reinvest the proceeds at lower interest rates.
- ❖ **Mortgage and asset-backed securities risk.** Early repayment of principal (e.g., prepayment of principal due to sale of the underlying property, refinancing, or foreclosure) of mortgage-related securities (or other callable securities) can expose an account to a potential loss on any premium to face value paid and to a lower rate of return upon reinvestment of principal. In addition, changes in the rate of prepayment also affect the price and price volatility of a mortgage-related security. Securities issued by certain U.S. Government sponsored enterprises (GSEs) (such as Fannie Mae, Freddie Mac, the Federal Home Loan Banks, and the Federal Farm Credit Banks) are not issued or guaranteed by the U.S. Treasury. In the event that these GSEs cannot meet their obligations, there can be no assurance that the U.S. Government will (or will continue to) provide support, and an account's performance could be adversely impacted.

**Municipal bond risk.** Like other debt securities, municipal bonds are subject to credit risk, interest rate risk and call risk. Obligations of issuers of municipal bonds are generally subject to the provisions of bankruptcy, insolvency, and other laws affecting the rights and remedies of creditors. However, the obligations of certain municipal issuers may not be enforceable through the exercise of traditional creditors' rights. The reorganization under the federal bankruptcy laws of a municipal bond issuer or payment obligor bonds may result in, among other things, the municipal bonds being cancelled without repayment or repaid only in part. In addition, Congress or state legislatures may seek to extend the time for payment of principal or interest, or both, or to impose other constraints upon enforcement of such obligations. Litigation and natural disasters, as well as adverse economic, business, legal, or political developments (including challenges to the continued tax-exempt status of various municipal bonds), may introduce uncertainties in the market for municipal bonds or materially affect the credit risk of particular bonds.

- ❖ **Risks related to Derivatives.** Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset or index. Risks of investing in derivatives are different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Risks include liquidity risk, interest rate risk, market risk, credit risk, risk of mis-pricing or improper valuation and the risk of miscorrelation. The Fund could lose more than the principal amount invested.
- ❖ **Capital Controls Risk.** Capital controls imposed by foreign governments may adversely affect the trading market and may cause the Fund to decline in value.
- ❖ **Shareholder Concentration Risk.** From time to time, an investment adviser may allocate a portion of the assets of its discretionary clients to the Fund. There is a risk that if a large percentage of Fund shareholders consists of such investment adviser's discretionary clients, such asset allocation decisions, particularly large redemptions, may adversely impact remaining Fund shareholders.
- ❖ **Regulatory Risk.** Regulators may adopt additional regulations, which may impact the operation and performance of the Fund.
- ❖ **Auction Rate Securities Risk.** Auction rate securities may differ substantially from cash equivalents with respect to liquidity and price stability because an auction may result in lower prices if there is insufficient demand for the auction securities.
- ❖ **Agency Bond Risk.** Certain U.S. government agency securities are not supported by the U.S. government. Thus, in times of financial stress, such securities are not guaranteed by the U.S. Treasury.
- ❖ **Risks related to Money Market Funds.** An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, there is no assurance that will occur, and it is possible to lose money if the fund value per share falls. Moreover, in some circumstances, money market funds may be forced to cease operations when the value of a fund drops below \$1.00 per share. In that event, the fund's holdings are liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you.

***Risks related to Equity Securities:***

- ❖ ***Risks related to Equities.*** The price of equity securities may rise or fall because of changes in the market, changes in a company's financial condition, or other macroeconomic variables sometimes rapidly or unpredictably. These price movements may result from various factors affecting individual companies, sectors or industries selected for a portfolio or the securities market as a whole, such as changes in economic or political conditions. Client portfolios may decrease in value as a result.
- ❖ ***Risks related to Foreign Exchange.*** Changes in currency exchange rates and the relative value of non-U.S. currencies will affect the value of the client's investment and the value of a fund's shares. Currency exchange rates can be especially volatile and can change quickly and unpredictably. Changes can result due to political, legal or economic conditions in the country issuing the currency of other foreign countries, or the United States. As a result of currency rate movements, the value of an investment may change quickly and without warning and with no change in the underlying investments fundamentals. BBH may or may not hedge the foreign exchange exposure associated with a particular investment.
- ❖ ***Risks related to Emerging Markets.*** Emerging markets involve risks greater than those generally associated with investing in more developed foreign markets. These risks include: (i) expropriation, confiscatory taxation, nationalization, and less social, political and economic stability than in more developed economies; (ii) the small current size of the securities markets and lower trading volume; (iii) certain national policies related to national interests, which may restrict investment opportunities; and (iv) the absence of developed legal structures governing private or foreign investment and private property.
- ❖ ***Foreign Investment Risk.*** Investing in equity or fixed income securities of foreign-based companies involves risks not typically associated with investing in equity securities of companies organized and operated in the United States. These risks include changes in political, social or economic conditions, diplomatic relations, confiscatory taxation, expropriation, nationalization, limitation on the removal of funds or assets, or imposition of (or change in) exchange control or tax regulations. In some foreign countries, less information is available about foreign issuers and markets because of less rigorous accounting and regulatory standards than in the United States. In addition, foreign stock exchanges and brokers generally have less government supervision and regulation than in the United States. Dividends and interest on foreign securities may be subject to foreign withholding taxes, which may reduce the net return to Fund shareholders. Foreign securities are often denominated in a currency other than the U.S. dollar, which will subject the Fund to the risks associated with fluctuations in currency values. Currency fluctuations could erase investment gain or add to investment losses. All of these factors can make foreign investments more volatile and potentially less liquid than U.S. investments.
- ❖ ***Risks related to Exchange Traded Funds.*** There may be a lack of liquidity in certain ETFs which can lead to a large difference between the bid-ask prices (increasing the cost to you when you buy or sell the ETF). A lack of liquidity also may cause an ETF to trade at a large premium or discount to its net asset value. Additionally, an ETF may suspend issuing new shares and this may result in an adverse difference between the ETF's publicly available share price and the actual value of its underlying investment holdings. At times when underlying holdings are traded less frequently, or not at all, an ETF's returns also may diverge from the benchmark it is designed to track.

- ❖ **Lack of Diversification.** “Non-diversified” portfolios are not limited with regard to the portion of their assets that may be invested in the securities of a single issuer, industry sector and/or market. A non-diversified Fund may be subject to greater risk than a diversified Fund because changes in the financial condition of individual issuers, as well as political, regulatory or economic occurrences affecting such issuers may cause greater fluctuation in the value of a non-diversified Fund’s shares.

**Other Risks:**

- ❖ **Risks related to Alternative Investments.** (e.g., Private Funds or Private Markets): Alternative investments have different features and risks from other types of investment products. As further described in the offering documents of any particular alternative investment, an investment in alternative investments can be highly illiquid, is speculative and not suitable for all investors. For example, alternative investment products may place substantial limits on liquidity and the redemption rights of investors, including only permitting withdrawals on a limited periodic basis and with a significant period of notice and may impose early withdrawal fees. Private Funds may also “hold back” a certain percentage of your redemption proceeds payable until the year-end audit is complete. Investing in alternative investments is intended for experienced and sophisticated investors only who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. Certain of these risks may include: loss of all or a substantial portion of the investment due to leveraging, short selling, or other speculative practices; lack of liquidity, in that there may be no secondary market for the fund and none expected to develop; volatility of returns; restrictions on transferring interests in the fund; potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; absence of information regarding valuations and pricing; complex tax structures and delays in tax reporting (private funds issue an annual Schedule K-1 tax document which may be delayed and require investors to seek an extension on their tax returns); less regulation and higher fees than mutual funds; and advisor risk. Alternative investment products may also have higher fees (including multiple layers of fees) compared to other types of investments. An investment in alternative investments carries additional risks as described herein. Individual funds will have specific risks related to their investment strategies that will vary from fund to fund. For more details on these and other features and risks, please carefully read the documentation (including risk disclosures) relating to any fund that your portfolio invests, as well as your client agreement.
- ❖ **Management Risk.** The success of actively managed funds relies on the investment skills and analytical ability of the investment adviser. Subjective decisions made by the investment adviser may result in losses or missed profit opportunities.
- ❖ **Sub-Adviser Risk.** A Fund with Sub-advisers may be more exposed to a particular stock, industry, country, region, or technique than if the Fund had a single investment adviser.
- ❖ **Information Security Risk:** As with any entity that conducts business through electronic means in the modern marketplace, Investment Management may be susceptible to potential risks resulting from cyber-attacks or incidents (collectively, “cyber-events”). Cyber-events may include, among other behaviors, illegally accessing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential information, infection from computer viruses or other malicious software code, unauthorized access to or compromises to relevant systems, networks or devices that

Investment Management uses, operational disruption or failures in the physical infrastructure or operating systems, or various other forms of cybersecurity breaches. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Cyber-attacks affecting Investment Management may adversely impact clients, potentially resulting in, among other things, financial losses or the inability of Investment Management to transact business. For instance, cyber-attacks may cause the release of client information or confidential business information, impede trading, subject Investment Management to regulatory fines or financial losses and/or cause reputational damage.

Investment Management may also incur additional costs for cyber security risk management purposes designed to mitigate or prevent the risk of cyber-attacks. Such costs may be ongoing because threats of cyber-attacks are constantly evolving as cyber attackers become more sophisticated and their techniques become more complex. Similar types of cyber security risks are also present for issuers of securities in which Investment Management may invest, which could result in material adverse consequences for such issuers and may cause Investment Management's investments in such companies to lose value. Investment Management has established risk management systems reasonably designed to manage the risks associated with cyber-events. However, there can be no assurance that Investment Management, other service providers, or the issuers of the securities in which Investment Management invests will not suffer losses relating to cyber-attacks or other information security breaches in the future.

**Fees** -----

Generally, BBH charges fees on investment advisory accounts based on a percentage of assets under management. Fees and minimum account sizes may vary or be negotiable, depending upon the types of products or services selected or the number of accounts and asset size associated with the client relationship. The minimum annual fee for BBH clients is typically \$50,000 to \$100,000 depending on the services to be provided, however, in certain circumstances; BBH may discount or waive minimum investment advisory fees when appropriate. If an account is invested in Proprietary Funds in which BBH retains all or a portion of the investment advisory fee at the fund-level or product-level, then the account-level minimum fee will be reduced by the actual dollar amount (or our good faith estimate of such amount) attributable to the advisory fee payable to BBH or its affiliates at the fund-level or product-level. Advisory fees are generally billed either monthly or quarterly and either in advance or in arrears, depending upon the nature and circumstances of the client account and services selected and are deducted accordingly from the client's account. In the event of termination, or if fees are charged in arrears, fees will be pro-rated based on the termination date. Please refer to your investment management agreement (and any subsequent notices and/or amendments) to confirm the fees and billing schedule applicable to your account. Typically, BBH will notify its clients at least thirty (30) days in advance of any change in the fees and charges applicable to a client account, unless otherwise stated in the investment management agreement.

In most cases the broker executing a trade on the account's behalf will charge a commission (equity securities) or earn a mark-up/mark-down (fixed income securities). BBH does not earn commissions or other transaction fees in connection with directing investment advisory trade orders to third party brokers for execution; however, BBH does receive credits from certain brokers toward the receipt of qualifying research or other services in accordance with applicable law. Please refer to the section entitled "ADMINISTRATION OF CLIENT ACCOUNTS: Investment and Brokerage Discretion, Soft Dollar or Research/Execution Arrangements" for additional information.

The investment management relationship may be terminated by either the client or BBH on the terms set forth in the

investment management agreement. In the event of termination, fees shall be pro-rated based on the termination date and debited directly from the account. See also the section entitled “ADMINISTRATION OF CLIENT ACCOUNTS: Closing Accounts” for additional information on account termination.

In some cases, and in compliance with applicable law, certain funds and client accounts may provide for fees to include a sharing in the capital appreciation of the account (also known as performance or incentive fees). Depending upon the type of investment, this sharing may be based on the total return over a benchmark of the portfolio or may be based on a percentage of the absolute profits. Structural differences in fees may motivate managers to make portfolio decisions that favor portfolios that are charged incentive fees over those that are charged asset-based fees. To address this potential conflict of interest, BBH has policies in place and related internal controls intended to review and mitigate potential conflicts as well as periodic compliance testing and review by internal audit.

The compensation of BBH varies based on assets under management and the products and services applicable to client accounts. For instance, from time to time, BBH may earn enhanced compensation when new or existing clients increase the aggregate amount of assets under management by BBH, whether it is through investing additional monies in a separately managed account or in a stand-alone investment product.

### **BBH INVESTMENT PROFESSIONALS**

Below are brief biographies on BBH’s key senior officers including those who provide investment advice.

#### **Vincent D'Angelo**

*Born:* 1963

*Education:*

1985 – St. Michael's College, B.A. Economics

1996 – Pace University, Lubin School of Business, M.B.A.

*Business Background:*

1985 – 1987 – Chubb & Son Inc

1987 – 1992 – Assistant Vice President, Marsh & McLennan Inc.

1992 – 1996 – Director Risk Management, Reliance Group Holdings, Inc.

1996 – 1998 – Vice President Risk Management & Reinsurance, Reliance National

1998- 2008 - Vice President, Global Risk Manager Merchant Banking Division, Goldman Sachs & Co.

2008 – 2012 – Executive Director & Co-Head of Investment Management Operational Risk, Morgan Stanley

2012 – 2014 – Managing Director & Head of Operational Risk, Investments, AIG

2014 – 2016 – Senior Managing Director & Global Head of Operational Risk, Consumer & Commercial Divisions, AIG

2016 - Present - Head of Investment Management Risk and Governance, BBH

#### **James J. Evans**

*Born:* 1958

*Education:*

1980 – University of Delaware, B.S.

1986 – New York University, M.B.A.

*Business Background:*

1986 – 1994 – Lazard Freres Asset Management, Fixed Income Manager

1995 – 1996 – Shawmut Investment Advisers, Fixed Income Manager

1996 – Present – Fixed Income Portfolio Manager, BBH

**Daniel Greifenkamp**

*Born:* 1969

*Education:*

1991 – Carroll University, B.S.

1998 – University of Chicago Booth School of Business, M.B.A.

*Business Background:*

1991 – 1997 – Strong Funds Capital Management

1997 – 2009 – Partner, Artisan Partners

2010 – 2011 – Director, Abbey Capital

2011 – 2013 – Head of Mutual Fund Sales, BBH

2013 – 2015 – Head of Mutual Fund Sales; Head of US & European Institutional Business Development & Client Relations, BBH

2015 – 2018 – Head of Funds Management, BBH

2018 – Present – Head of Funds Management, BBH, Head of Mutual Fund Sales & Head of US & European Institutional Business Development & Client Relations, BBH

**Timothy E. Hartch**

*Born:* 1969

*Education:*

1992 – Harvard University, A.B.

1996 – University of Michigan Law School, J.D.

1996 – University of Michigan Business School, M.B.A.

*Business Background:*

1996 – Present – BBH

1996 – 2000 – M&A Advisory and Private Equity, BBH

2001 – Present – Co-manager of a private investment fund, BBH

2005 – 2018 – Co-manager of BBH Core Select strategy, BBH

2010 – 2018 – Partner and Head of Global Core Select & Core Select Team, BBH

2011 – 2018 – Co-manager of BBH Global Core Select strategy, BBH

2018 – Present – Partner and Portfolio Manager of a private investment fund, BBH

**Andrew P. Hofer**

*Born:* 1963

*Education:*

1986 – Yale University, B.A.

1988 – Columbia University, M.I.A. – School of International Affairs

*Business Background:*

1988 – Present – BBH

1988 – 1997 – Domestic Banking, BBH

1998 – 2003 – Head of Institutional Investment Management, BBH

2003 – 2007 – Chief Operating Officer -- Investment Management, BBH

2008 – Present – Head of Taxable Fixed Income, BBH

**Neil M. Hohmann**

*Born:* 1969

*Education:*

1991 – Yale University, B.A.

2001 – University of Chicago, Ph.D.

*Business Background:*

1991– 1993 – Economic Research Service, U.S., Department of Agriculture

1998 – 2003 – Swiss Reinsurance

2003 – 2006 – Munich Reinsurance

2006 – Present – Credit Analyst and Co-Portfolio Manager, BBH

**Michael R. Keller**

*Born:* 1977

*Education:*

1999 – Princeton University, B.S.E.

*Business Background:*

1999 – 2005 – KeyBanc Capital Markets, Equity Analyst

2005 – Present – BBH

2005 – 2008 – Equity Analyst, BBH

2008 – 2018 – Co-Portfolio Manager and Equity Analyst, BBH

2015 – Present – Partner, BBH

2018 – Present – Portfolio Manager, BBH

**Anita Kerr**

*Born:* 1968

*Education:*

1988 - New York University, B.A.

*Business Background:*

1988 – 1989 – Legal Assistant - Real Estate Securities Department- Thacher, Proffitt & Wood

1989 – 1990 – Assistant Manager - Government Relations, Citibank

1990 – 1998 – Analyst, Associate, Vice President - Global Securities Services, Goldman Sachs & Co. -

1998 – 2015 – Managing Director, Goldman Sachs Asset Management (GSAM)

2013 – 2015 - Managing Director & Global Head of Regulatory Reform

2012 – 2013 - Managing Director & Global Chief Operating Officer - GSAM Trading

2007 – 2011 - Managing Director, Global Chief Operating Officer - Global Fundamental Equity

2004 – 2007 - Vice President & Chief Operating Officer - U.S. Value & Real Estate Securities

2000 – 2004 - Vice President & Chief of Staff - Global Active Equity Portfolio Management

2015 – Present – Chief Operating Officer, Investment Management, BBH

**Paul E. Kunz, CFA**

*Born:* 1968

*Education:*

- 1990 – Villanova University, B.S.
- 1993 – St. John’s University School of Law, J.D.
- 2001 – New York University School of Law, LL.M

*Business Background:*

- 1998 – 2002 – SunAmerica Asset Management – High Yield Credit Analyst
- 2002 – 2004 – Halcyon Management Company LLC – Distressed Credit Analyst
- 2004 – 2007 – Oppenheimer Funds Inc. – High Yield Credit Analyst
- 2007 – 2013 – Deutsche Asset Management – High Yield Credit Analyst
- 2013 – Present – Credit Analyst and Co-Portfolio Manager, BBH

**Regina K. Lombardi**

*Born:* 1959

*Education*

- 1988 - New York University, B.S.

*Business Background*

- 1981 – 1991 – McCowan Associates, Equity Trader (1981-1988), Research Associate (1988-1991)
- 1991 – 2000 – Riverbridge Partners, Equity Analyst
- 2000 – 2002 – Advantus Capital Management, Equity Analyst
- 2002 – Present – Equity Analyst, BBH
- 2013 – 2018 - Co-Portfolio Manager, BBH
- 2018 – Present – Portfolio Manager, BBH

**Jean-Pierre Paquin**

*Born:* 1973

*Education:*

- 1996 – Colgate University, B.A.
- 2002 – The Wharton School, University of Pennsylvania, M.B.A.

*Business Background*

- 1996 – 2000: M&A Advisory & Private Equity, BBH
- 2000 – 2006: Principal, The 1818 Mezzanine Funds, BBH
- 2006 – Present: Co-Manager & Principal, BBH Capital Partners, BBH
- 2015 – 2016: Partner, Investment Management, BBH
- 2016 – Present: Partner, Head of Investment Management, BBH

**Jeffrey A. Schoenfeld**

*Born:* 1958

*Education:*

- 1980 – University of California at Berkeley, B.A.
- 1984 – The Wharton School, University of Pennsylvania, M.B.A.

*Business Background:*

- 1984 – Present – BBH
- 1990 – 1995 – Liquidity Management Department Head, BBH

1996 – Present – Partner, BBH  
1996 – 2009 – Head of Institutional Fixed Income, BBH  
2003 – 2008 – Head of Brown Brothers Harriman Mutual Fund Advisory Department  
2010 – Present – Head of Institutional Business Development and Relationship Management, BBH

**Gregory S. Steier**

*Born:* 1970

*Education:*

1992 – New York University, B.S.  
1996 – New York University, M.B.A.

*Business Background:*

1992 – Present – BBH  
2006 – Present – Head of Tax Exempt Fixed Income and TIPS, BBH

**Other BBH Products & Services**

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BBH is involved in a number of affiliated businesses other than providing investment advice, including, but not limited to, Private Banking and Investor Services. Investment management clients may choose to take advantage of these services at BBH as their needs require.

BBH has partners and senior management who work almost exclusively in these other business lines. With the exception of certain personnel of the National Trust Companies and the SID, most professionals in the Investment Management business line do not spend significant amounts of time on these other activities of BBH. A limited number may cross-over and provide due diligence/strategy selection services for BBH’s Private Banking business. In addition, certain members of the implementation team provide services to Private Banking.

Below we provide a summary of our other core businesses.

**Investor Services** -----

Our Investor Services business assists the world’s most sophisticated asset managers and financial institutions to achieve their global investment objectives through its integrated global service model. BBH leverages its award-winning client service and technology to provide global custody services in nearly 100 markets. Additional integrated services offered include:

- ❖ Fund Accounting/Administration Services: BBH provides fund accounting services as part of our suite of Global Investment Administration products. BBH provides daily multi-currency portfolio valuation, fund accounting, and reporting services to some of the world’s leading asset gatherers.
  
- ❖ Securities Lending Services: BBH provides clients with proven expertise in structuring risk-controlled securities lending solutions. Our clients have the flexibility to allocate assets across a traditional agency or exclusive arrangement, or a combination of the two, allowing clients to select the most optimal trading strategy. We focus on

maximizing intrinsic value and in consultation with our clients develop customized lending programs designed to optimize returns within their defined risk parameters.

- ❖ Foreign Exchange Services: BBH is an industry leading global FX provider committed to offering our clients a continuum of innovative and flexible solutions focused on execution excellence, product choice, and transparency. Our products have been designed in close consultation with our clients resulting in solutions that help them maximize their investment objectives.
- ❖ Global Custody: BBH ensures the settlement, safekeeping and accurate reporting of assets for the world’s most sophisticated asset gatherers. BBH Global Custody service incorporates operational expertise, client service, local relationship management and market intelligence to deliver insightful data over our Global Operating Platform.
- ❖ Mutual Fund Services: BBH provides mutual fund solution services to a diverse institutional client base. BBH’s clients cover a wide range of business profiles, including private banks, mutual funds, hedge funds, independent asset managers and investment advisers, as well as other brokers.

BBH utilizes the Fund Order Processing Group to process mutual fund orders for Investment Management clients but does not pass along the costs associated with this service to Investment Management clients.

**Private Banking** -----

Our Private Banking business assists business owners, and those individuals with substantial wealth to achieve their financial goals. BBH serves both corporate and private clients throughout the cycle of wealth creation, transition, and preservation. BBH leverages our shared intellectual capital and reputation in order to become a trusted advisor to our clients. Private Banking’s offered services include:

- ❖ Trust Services: Through our National Trust Companies, BBH offers our clients an array of individualized services to implement estate, financial and tax planning strategies. We administer many types of personal trusts, from the simplest form of living trust to complicated estate planning vehicles. We also act as custodian of individual retirement accounts (IRAs), and as trustee of institutional trusts. Our services include acting as trustee or executor to carry out fiduciary administration and assisting investment advisory and their professional tax and legal advisors with estate planning and tax planning.
- ❖ Investment Advisory: The Investment Advisory and Trust Services department provides advisory services to high net worth individuals. BBH establishes and maintains long-term strategic asset allocation guidelines for clients of various categories predicated upon long-term investment risk and return objectives and other matters of judgment. RM’s work with clients to establish and maintain Investment Policy Statements that document investment strategies that are designed to be consistent with the sophistication, risk tolerance and investment objectives of our clients.
- ❖ Corporate Lending: Corporate Lending is focused on providing credit expertise to U.S. based, high quality middle-market private firms and closely-held public companies. BBH’s primary lending service is the provision of senior secured loans to corporate customers for working capital, acquisitions, and general business expansion.

- ❖ Private Equity: As a proprietary private equity fund manager, BBH provides expertise in investing in lower middle market companies and works with a number of management teams whose businesses are at critical inflection points in terms of their growth and strategic development. The funds have the flexibility to act as a control or non-control investor and to structure investments as a combination of equity and subordinated debt securities.
- ❖ Private Real Estate: BBH acts a manager to a private real estate fund that invests in real estate investments in primary and secondary markets in the United States.

***Other Advisory Services*** -----

The SID provides investment advisory services to BBH’s family of proprietary mutual funds and UCITS (the BBH Luxembourg Funds). The SID has filed a Form ADV.

BBH also acts as investment adviser to the majority of the clients of its affiliated National Trust Companies. Where BBH acts as investment adviser to a client for whom one of the National Trust Companies is providing fiduciary services, the BBH advisory fee is included in the fiduciary fee charged by the trust company.

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**ADMINISTRATION OF CLIENT ACCOUNTS**

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***Review of Accounts*** -----

Investment management accounts for clients are reviewed and approved at least annually. Generally, account reviews will include, where applicable:

- Checks for portfolio compliance with client investment objectives/guidelines; and
- Checks that account performance is consistent with the strategy.

RMs are required to review and approve accounts and to discuss any issues with the first line reviewer. All account reviews are also reviewed and approved by applicable supervisors.

***Custody, Client Communications & Reports*** -----

If selected by you, BBH may serve as custodian for assets held in certain separate accounts. BBH also serves as the custodian to BBH Mutual Funds advised by the SID, for proprietary funds, and for other assets held in collective investment vehicles managed by unaffiliated investment managers. As custodian, BBH must segregate client assets from its proprietary assets. Assets held by BBH are immediately identifiable through the designation of client accounts.

Investment management clients are typically furnished with a written portfolio summary delivered as requested. Clients can also view their portfolio by enrolling in BBH’s online service, “BBH Client Portal.” The BBH Client Portal provides summary information of securities held, number of units, purchase price, current market value and estimated annual income. As printed client statements may differ from the summary information available on the BBH Client Portal, including with respect to securities valuations, clients should promptly notify their RM of any potential discrepancies. The written statement is the official statement of your account holdings and values as of the statement date. Additionally, unless a client elects to suppress confirmations, trade confirmations are provided directly to clients.

***Sub Advised Investment and Brokerage Discretion*** -----

When BBH engages a sub-adviser, the sub-adviser has trading and brokerage discretion over the sub-advised account. As part of that engagement, BBH considers the sub-adviser's compliance policies and procedures, including those relating to trading, brokerage and the allocation of trading opportunities and requires them, among other things, to adhere to best execution standards. It should be noted that, when deemed appropriate, BBH may manage all or a portion of a sub-advised account's assets according to BBH's principal investment strategies.

▪ **Written Authority to Exercise Discretion**

BBH typically obtains written authority to exercise discretion over client accounts, including the discretion to determine the securities to be bought or sold and their amount, the broker-dealers to be used, and the commission rates or fees to be paid for those executions. This discretionary authority may be limited by clients, including retention of the right to direct purchases and sales to specific brokers or the right to vote proxies. Should a client choose to invest in a security that is not recommended by BBH, the client assumes full responsibility for managing such securities, and such holdings remain subject to the same fees as other managed assets in the account, unless otherwise provided by written agreement. Securities held pursuant to client direction may not meet BBH's credit or investment criteria and, therefore, we recommend, that you discuss these positions with your RM.

▪ **Conflicts of Interest - General**

BBH provides discretionary and non-discretionary investment management services and products to corporations, institutions and individual investors throughout the world. As a result, in the ordinary course of its businesses, BBH may engage in activities in which its interests or the interests of its other clients may conflict with or be adverse to the interests of the client. In addition, certain of such clients utilize other services of BBH for which they will pay to BBH customary fees and expenses.

BBH seeks to meet its fiduciary obligation with respect to all investment management clients. BBH has adopted and implemented policies and procedures that seek to manage conflicts of interest. Pursuant to such policies and procedures, BBH monitors a variety of areas, including compliance with investment guidelines, review of allocation decisions, and the investment in only those securities that have been approved for purchase, and compliance with BBH's Code of Ethics. With respect to the allocation of investment opportunities, BBH has adopted and implemented policies designed to achieve fair and equitable allocation of investment opportunities among its clients over time. BBH has structured its portfolio managers' compensation in a manner it believes is reasonably designed to safeguard the client from being negatively affected as a result of any such potential conflicts.

- **Best Execution**

BBH directs equity and fixed income orders for advisory clients to unaffiliated brokers and dealers for execution. BBH seeks to obtain best execution of such orders, which does not necessarily mean best price. In this regard, trades will be directed to brokers and dealers when deemed advisable based on a number of factors including: the broker's or dealer's ability to execute orders without disturbing the market price; the broker's or dealer's reliability for on-time delivery of securities; the broker's or dealer's financial condition and responsibility; the research and other investment information provided by the broker or dealer, and the commission or mark-up/mark-down charged by the broker or dealer. Accordingly, the commissions or fees charged by a broker or dealer may be greater than the amount another firm might charge provided that BBH determines, in good faith, that the amount of such commissions or fees is reasonable in relation to the value of the brokerage and research information provided. BBH has established an oversight committee to monitor BBH's efforts to meet best execution obligations. Please also refer to the section entitled "**Aggregation and Allocation of Transactions to Unaffiliated Brokers**" for additional information on trade allocation and the section entitled "**Soft Dollar or Research/Execution Arrangements**" for additional information on allocation of brokerage transactions.

Generally, BBH does not itself provide execution services to Investment Management clients; however, where BBH processes Fund orders through its Fund Order Processing Group, no commissions are charged. BBH advisory personnel do not receive brokerage commission-based compensation.

- **Principal, Agency & Cross Transactions**

BBH does not conduct principal transactions of securities for any client where BBH has acted as investment adviser to the client, except when the transaction is conducted in accordance with applicable regulations.

BBH does not generally arrange "agency cross transactions". Cross transactions involve the purchase or sale of a security between two accounts and/or funds managed by an investment adviser for which the investment adviser does not charge a fee (either a commission, spread or service fee) to either client for the transaction.

In certain situations, the Investment Adviser may effect a transaction for the purchase or sale of a security or other investment instrument between accounts managed by the Investment Adviser, including a BBH Fund. Such transactions are typically referred to as "cross trades" or "cross transactions". The Investment Adviser represents that any such transaction will be "crossed" or transferred generally, through the use of a third party, between the relevant accounts at an independently determined market price and without either client incurring brokerage commissions, although customary custodian and transfer fees will normally be incurred. By entering into an agreement with BBH, the client authorizes the Investment Adviser to enter into such cross trades or transactions on behalf of its account. The Investment Adviser will have a potentially conflicting division of loyalties and responsibilities in any such transaction. However, no such transaction will be effected unless the Investment Adviser determines that the transaction is in the best interest of each account and executed in accordance with applicable law. Where a registered investment company participates in a cross trade, the Investment Adviser will comply with procedures adopted pursuant to Rule 17a-7 under the Investment Company Act of 1940 and related regulatory authority.

- **Client-Directed Brokerage Transactions**

Some clients have an existing relationship with a broker-dealer and they may instruct BBH to execute all transactions through that broker-dealer. In the event that a client directs BBH to use a particular broker or dealer (“Directed Brokerage”), it should be understood that BBH may not be able to negotiate commissions or fees, obtain volume discounts or achieve best execution. As a result, Directed Brokerage transactions may result in higher commissions, greater spreads or less favorable net prices than would be the case if BBH were able to select brokers and dealers to execute transactions. Additionally, Directed Brokerage transactions may not be aggregated or added to a block trade for execution purposes with orders for the same securities for other accounts managed by BBH. In the event that a purchase or sale order is placed for multiple accounts, orders for accounts giving BBH full brokerage discretion will generally be placed ahead of Directed Brokerage orders. BBH has no responsibility for reporting or monitoring commission rates or spreads when the client elects to direct brokerage.

BBH may from time-to-time accommodate client requests to execute a client self-directed trade (“Directed Trade”). BBH can only accept Directed Trades as an investment adviser and not as a broker dealer. BBH will seek to execute Directed Trade transactions on a best efforts basis using a third-party broker dealer. In such cases, BBH will generally not accept trade qualifiers, including but not limited to, time specific orders (e.g., at the market, good-till-canceled (“GTC”), at the open or at the close) and/or price specific orders (e.g., limit, stop or stop limit). BBH reserves the right not to accommodate any particular client trade request. Any fees or commissions associated with a client Directed Trade will be assumed by the client.

- **Transactions Related to Customized Accounts**

Clients are permitted to request that certain trading restrictions or other specialized requirements apply to their Investment Management accounts. There will be circumstances where it is necessary for those customized accounts to trade after Investment Management accounts that are invested in the same investment strategy and other BBH-managed accounts that do not contain an applicable trading or portfolio restriction or client preference (“Model Accounts”) because of the timing and processes required to satisfy the requirements and circumstances relevant to customized accounts. The trading for the Model Accounts can itself create adverse price movements for the customized accounts particularly if they involve large block trades, illiquid securities or occur in volatile markets. Customized accounts will receive the market price (or average market price for the block in which they participate) prevailing at the time their trades are executed.

- **Aggregation and Allocation of Transactions to Unaffiliated Brokers**

As discussed above, BBH typically directs order instructions for its clients to a list of unaffiliated brokers and dealers for handling and execution. When it is determined that aggregation (or “batching”) of order instructions is consistent with BBH’s duty to seek best execution for its clients, BBH may, in its discretion, permit outside brokers or dealers to combine trades for your account with trades for BBH’s other accounts, including accounts of BBH’s partners, personnel and proprietary mutual funds. In the event that trades are combined, no account (including those of BBH partners and personnel) will be favored over any other account with respect to allocation percentages or execution price over an extended period of time. The allocation of securities purchased in batched trades among client accounts is intended to be accomplished fairly and equitably in accordance with BBH policies and procedures. Batching may not be possible when clients engage in Directed Brokerage, as explained more fully above.

BBH believes that over time, the methods it uses to allocate trades is fair and equitable. Client accounts managed by BBH that are eligible to purchase or sell fixed income or equity securities that are block traded will generally be allocated a pro-rata portion of the executed block trade. In the event an order is only partially filled, BBH will allocate executed shares on a pro-rata basis based on the amount of assets in each order, subject to limited exceptions including minor adjustments for rounding and odd-lots. Equity allocations may also be allocated using a random allocation methodology which randomly selects accounts if less than 15% of the original order is executed or if less than 15% of the original batch order remains to be executed. Allocations for equity and fixed income trades are generally made by the end of the day on which the trade is executed, absent extraordinary circumstances.

Potential conflicts of interest also arise with the aggregation of trade orders. Purchases and sales of securities for one client may be aggregated with orders for other BBH client accounts. BBH however is not required to aggregate orders if portfolio management decisions for different accounts are made separately, or if it is determined that aggregating is not practicable, or in cases involving client direction. Prevailing trading activity frequently may make impossible the receipt of the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may be averaged, and the client will be charged or credited with the average price. Thus, the effect of the aggregation may operate on some occasions to the advantage or disadvantage of the client. In addition, under certain circumstances, the client may not be charged the same commission or commission equivalent rates in connection with an aggregated order. Allocations of aggregated trades, particularly trade orders that were only partially filled due to limited availability, raise a potential conflict of interest because BBH has an incentive to allocate trades to certain accounts or funds.

- **Allocation of Trades Between Accounts**

Certain inherent conflicts of interest arise from the fact that BBH provides investment management services to clients, BBH Funds and other accounts. In general, BBH faces conflicts of interest when it renders investment advisory services to clients of BBH and BBH Funds and, from time to time, provides dissimilar investment advice to different clients depending on the facts and circumstances. Investment decisions will not necessarily be made in parallel among the clients and BBH Funds. Investments made for clients of BBH do not, and are not intended to, replicate the investments, or the investment methods and strategies, of other clients or BBH Funds managed by BBH. Accordingly, the accounts for clients of BBH may produce results that are materially different from those experienced by other clients of BBH or the BBH Funds. Certain other conflicts of interest may arise in connection with a portfolio manager's management of a client's investments, on the one hand, and the investments of other funds or accounts for which the portfolio manager is responsible, on the other. For example, it is possible that the various funds or accounts managed by BBH could have different investment strategies that, at times, might conflict with one another to the possible detriment of a client. Alternatively, the investment methods and strategies that BBH utilizes in managing the account of a client may be utilized by BBH in managing investments for other clients of BBH. From time to time, BBH establishes, sponsors and is affiliated with other investment pools and accounts which use the same or similar investment strategies. To the extent that the same investment opportunities might be desirable for more than one account or fund, possible conflicts could arise in determining how to allocate them because BBH may have an incentive to allocate investment opportunities to certain accounts or funds. For example, BBH may act as adviser to private funds with investment strategies similar to certain clients of BBH. Those private funds may pay BBH a performance fee in addition to the stated investment advisory fee. In such cases, BBH may have an incentive to allocate certain investment opportunities to the private fund rather than the client in order to increase the private fund's performance and thus improve BBH's chances of receiving the performance fee.

However, as noted above, BBH has implemented policies and procedures designed to ensure that information relevant to investment decisions is disseminated promptly within its portfolio management teams and investment opportunities are allocated equitably among different clients. The policies and procedures require, among other things, objective allocation for limited investment opportunities, and documentation and review of justifications for any decisions to make investments only for select accounts or in a manner disproportionate to the size of the account.

Actual or potential conflicts of interest may also arise when a portfolio manager has management responsibilities to multiple accounts or funds, resulting in unequal commitment of time and attention to the portfolio management of the funds or accounts.

Additionally, investment opportunities are appropriate, at times, for more than one strategy and/or accounts. It is the policy of BBH to generally share investment opportunities with other funds and/or accounts, provided the opportunities meet the relevant investment criteria for the other funds and/or accounts. If it is determined that an equity investment opportunity will be purchased for a fund and/or accounts, such opportunities will generally be allocated pro rata based on available capacity for such investment in each fund and/or account. For fixed income securities, the Investment Management portfolio management team allocates investments to its various fixed income strategies based on pre-determined targets including, but not limited to, issuer, sector, credit rating and/or duration/maturity. These targets may vary trade to trade due to the present or desired structure of each strategy. Due to a lack of availability for a particular investment, it may not be possible to allocate each opportunity to every applicable strategy. Certain strategies may have a narrower investment focus and may have fewer opportunities presented to them. Therefore, priority may be given to these strategies based on a pre-defined waterfall for each bond sector.

Trade allocation when both investment management accounts and firm accounts (Pension or Capital) are involved in the same trade of a non-fungible security shall be allocated pro-rata based on the desired share amount if a full allocation cannot be obtained or sold.

▪ **Commission Rates / Spreads**

BBH will not select broker-dealers solely on the basis of commission rates nor will it always seek in advance competitive bidding for the most favorable commission rate applicable to any particular transaction. As a result, BBH may not necessarily pay the lowest commissions possible in connection with transactions. Transactions may involve specialized services on the part of the broker-dealer involved which may call for higher commissions than would be the case with other transactions requiring more routine services. BBH will determine in good faith whether the amount of commission is reasonable in relation to the value of research and brokerage services provided. Please also refer to the section entitled “Soft Dollar or Research/Execution Arrangements”.

▪ **Cash Management Services**

BBH may invest cash remaining in clients’ accounts in one of several cash management options. These options are selected for clients by RMs based on factors including but not limited to: (i) the amount of the client’s investable assets; (ii) the type of account services provided (e.g., advisory, banking, custody trust services) and (iii) the RM’s understanding of the client’s needs and objectives. Under certain circumstances, BBH may charge an administrative fee for providing cash management services.

Clients of BBH may participate in the Cash Management Sweep. Where cash sweeps to a deposit institution other than BBH (an agency sweep), BBH's compensation is the BBH commission, adjusted to reflect any difference between the overnight yield for each deposit and the Cash Management Sweep interest rate. On a sweep to BBH (a principal sweep), BBH earns compensation as a bank of deposit. BBH does not charge a separate investment advisory fee on assets that participate in the Cash Management Sweep.

- **Non-exclusive Management**

BBH or any of its nominees, agents, partners or personnel may render investment management services to, and execute transactions for, its own account, BBH Funds and accounts of clients of BBH. The accounts BBH manages may include BBH partners and investment advisory accounts of BBH personnel including discretionary accounts that are centrally managed as well as BBH Funds.

The advice given to one client may differ from advice given to other client accounts or relied on for BBH's own account, and transactions may be effected for BBH's own account or the account of any client at prices, in amounts, or relating to securities which are not purchased or sold for other accounts. Actual or potential conflicts of interest may also arise when a portfolio manager has management responsibilities to multiple accounts or funds, resulting in unequal commitment of time and attention to the portfolio management of the funds or accounts.

In order to seek to avoid potential conflicts of interest, BBH may preclude clients from making an investment or selling its existing investment in, or taking other actions with respect to, securities of a company where BBH is advising another client or fund who is making or selling an investment in the securities of the same company. In addition, there may be certain

investment opportunities, investment strategies or actions that BBH determines not to undertake on behalf of a client in view of BBH's other client or firm activities.

- **Information Barriers**

BBH maintains policies and procedures intended to guard against the flow of Confidential and Material Non-Public Information ("MNPI"). Controls may include physical and virtual barriers, including segregation of systems and people and monitoring of trading and communications, all of which are designed to control and contain the flow of confidential information and MNPI. Specific information barrier controls include, but are not limited to, control lists (e.g., restricted list and watch list), personal account trading surveillance, electronic communications surveillance and related information barrier training.

From time to time, BBH may come into possession of MNPI or other information that could limit the ability of its clients to buy and sell investments—investment flexibility may be constrained as a consequence. BBH is not permitted to use MNPI in effecting purchases and sales in public securities transactions for clients. BBH has designed its Compliance Program, including controls, policies and procedures, to prevent the misuse of MNPI, and to enable fair allocation of batched transactions and equitable trade routing and execution.

▪ **“Soft Dollar” or Research/Execution Arrangements**

BBH may allocate a percentage or portion of client equity based trading commissions (“soft dollars”) to specific brokers or dealers or other providers to pay for research or services which provide, in BBH’s view, appropriate assistance to BBH in the investment decision-making process. Research and services includes information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility issues. In the past year, BBH has utilized soft dollars to acquire research provided directly by brokers and by third party research providers that include historical financials, corporate data and consensus estimates that analysts (including third-party consultants) use to assist in their decision-making responsibilities. Along those lines, BBH has also used pricing and news services, order management systems, attended conferences, benefited from attendance at management meetings, used models and consulted with industry experts that were paid for through soft dollars.

Equity Analysts vote to establish a budget and allocation model to research providers based on the value and importance of the research. Any potential new soft dollar arrangement(s) must be presented to Compliance and approved prior to being included within the budget. BBH’s soft dollar practices described herein and its policies and procedures governing this topic are intended to comply with the safe harbor rules of Section 28(e) of the Securities Exchange Act of 1934, as amended, where applicable.

These arrangements raise conflicts of interest. For example, to the extent that BBH uses client commissions to obtain research, it will not have to pay for such research itself. As such, this creates an incentive for BBH to use brokers who provide soft dollar services rather than brokers who may provide more favorable execution. The use of a broker or dealer that provides research and securities transaction services may result in a higher commission than that offered by a broker or dealer that does not provide such services. BBH will determine in good faith if the aggregate amount of the commissions paid is reasonable in relation to the value of the brokerage and research services received, and whether the services provide lawful and appropriate assistance in its investment decision-making responsibilities.

Research or other services obtained in this manner may be used in servicing any or all of the BBH Funds and other BBH client accounts, including in connection with BBH client accounts that do not pay commissions to the broker related to the research or other service arrangements. Such products and services may disproportionately benefit BBH Funds and other BBH client accounts relative to a particular client based on the amount of brokerage commissions paid by the BBH Fund and such other BBH client accounts. For example, research or other services that are paid for through one client’s commissions may not be used in managing that client’s account. Conversely, other BBH client accounts may receive the benefit, including disproportionate benefits, of economies of scale or price discounts in connection with products and services that may be provided to the Fund and to such other BBH client accounts. To the extent that BBH uses soft dollars, it will not have to pay for those products and services itself.

BBH may receive research that is bundled with the trade execution, clearing, and/or settlement services provided by a particular broker-dealer. To the extent that BBH receives research on this basis, many of the same conflicts related to traditional soft dollars may exist. For example, the research effectively will be paid by client commissions that also will be used to pay for the execution, clearing, and settlement services provided by the broker-dealer and will not be paid by BBH.

BBH may endeavor to execute trades through brokers who, pursuant to such arrangements, provide research or other services in order to ensure the continued receipt of research or other services BBH believes are useful in its investment decision-making process. BBH may from time to time choose not to engage in the above described arrangements to varying degrees. BBH may also enter into commission sharing arrangements under which BBH may execute transactions through a broker-dealer, and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research to BBH. To the extent that BBH engages in commission sharing arrangements, many of the same conflicts related to traditional soft dollars may exist.

Arrangements regarding compensation and delegation of responsibility may create conflicts relating to selection of brokers or dealers to execute client portfolio trades and/or specific uses of commissions from client portfolio trades, administration of investment advice and valuation of securities.

▪ **Investments in BBH Funds**

From time to time BBH may invest a portion of the assets of its discretionary investment advisory clients in a BBH Fund. That investment by BBH on behalf of its discretionary investment advisory clients in the BBH Fund may be significant at times. Increasing the BBH Fund’s assets may enhance investment flexibility and diversification and may contribute to economies of scale that tend to reduce the BBH Fund’s expense ratio. In selecting the Fund for its discretionary investment advisory clients, BBH may limit its selection to funds managed by BBH. BBH may not consider or canvass the universe of unaffiliated investment companies available, even though there may be unaffiliated investment companies that may be more appropriate or that have superior performance. BBH and its affiliates providing services to the BBH Fund benefit from additional fees when the BBH Fund is included as an investment by a discretionary investment advisory client.

BBH reserves the right to redeem at any time some or all of the shares of the BBH Fund acquired for its discretionary investment advisory clients’ accounts. A large redemption of shares of the BBH Fund by BBH on behalf of its discretionary investment advisory clients could significantly reduce the asset size of the BBH Fund, which might have an adverse effect on the BBH Fund’s investment flexibility, portfolio diversification, performance and/or expense ratio.

***Proxy Voting Policy***-----

BBH has adopted a Proxy Voting & Class Action Policy and Procedure which are designed to mitigate potential conflicts of interest from influencing proxy voting decisions that BBH makes on behalf of advisory clients. Upon request, clients may obtain copies of a report showing how proxies were voted with respect to securities in their accounts by requesting a copy. Nevertheless, notwithstanding such Proxy Voting & Class Action Policy and Procedures, actual proxy voting decisions of BBH may have the effect of favoring the interests of certain clients or businesses of other divisions or units of BBH or its affiliates provided that BBH believes such voting decisions to be in accordance with its fiduciary obligations. Unless otherwise stated in the investment management agreement, BBH maintains the right to vote proxies on behalf of clients and may utilize the services of a third-party proxy agent in making voting decisions. BBH reserves the right to vote proxies in a manner that is different than the vote recommended by third-party proxy agents. When BBH uses a sub-adviser, the sub-adviser generally votes proxies on behalf of BBH. BBH is not responsible for voting proxies where clients choose to opt out of BBH’s proxy process. The clients’ custody banks must be instructed to mail proxy material directly to clients who choose to vote their own proxies.

***Class Action Lawsuit Recovery Policy***-----

BBH has engaged the services of an outside vendor to participate in class action shareholder lawsuits, on a best efforts basis, in connection with securities beneficially owned by BBH clients during relevant class action periods. BBH is solely responsible for any fees paid to the outside vendor.

***Closing Accounts*** -----

Typically, investment management contracts may be terminated by either the client or BBH at any time by written notice given to the other party at least 30 days prior to the date on which such termination is to take place, or as may otherwise be provided in the agreement. Please refer to your investment management agreement for the terms applicable to account termination.

**OTHER IMPORTANT INFORMATION**

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***Tax & Legal Matters*** -----

BBH does not provide legal or tax advice and, therefore, is not responsible for developing, implementing or evaluating any tax strategies that may be employed by a client. Clients should develop any such strategies or address any legal or tax-related issues with a qualified legal or tax adviser.

***Disciplinary Actions*** -----

There are no material disciplinary events involving BBH's Investment Management Business or its personnel involved in providing investment advice. However, in September 2014, as a result of a broad sweep investigation involving over 30 individuals and entities, the SEC issued an administrative order citing BBH for failure to make certain required filings under the Securities & Exchange Act of 1934. Without admitting or denying the findings, BBH entered into a settlement agreement with the SEC and agreed to pay a civil penalty. As a result, BBH has enhanced its policies, procedures and controls related to the reporting of beneficial ownership. The settlement has no impact on BBH's financial status or its ability to conduct business or provide services to its clients.

In 2013, FINRA conducted an examination of BBH, which included a Financial Operations, Sales Practice and Anti-Money Laundering ("AML") review. Any observations/recommendations with respect to the Financial Operations and Sales Practice elements of the review have either been addressed or are being addressed within expected target dates. The AML review focused on the firm's policies and procedures relating to the surveillance and processing of U.S. low-priced securities on behalf of certain of our bank clients located outside of the United States. The examination concluded in early 2014. Without admitting or denying the findings, BBH entered into a settlement agreement with FINRA addressing the areas of concern raised by FINRA and paying a fine to FINRA. There are no limitations on BBH's ability to conduct business as a result of the settlement. However, as part of the settlement agreement with FINRA, and BBH's internal review, BBH filed a Corrective Action Statement which noted, among other things, that BBH has made changes to its processes and procedures for handling low-priced securities for the firm's bank intermediary clients, including additional policies and procedures to enhance compliance with its obligations under Section 5 of the Securities Act of 1933, and enhanced employee training with respect to low priced securities transactions and enhanced standards for filing Suspicious Activities Reports ("SARs").

*Miscellaneous* -----

- **Code of Ethics and Professional Conduct**

BBH has adopted a Code of Ethics and Professional Conduct (the “Code”) which includes provisions that requires BBH Personnel to (a) conduct personal securities transactions that are in accordance with the Code and with the Firm’s Personal Trading and Insider Trading Policies, and in such a manner as to avoid any actual or potential conflict of interest; (b) comply with applicable laws and regulations; and (c) annually provide an acknowledgment of compliance with the Code. BBH will provide a copy of the Code to any client or prospective client upon request.

- **Safekeeping of Assets and Compliance Controls**

As a global custodian, BBH is required to segregate its client assets from its proprietary assets and must exercise due care when taking custody of other people's securities. As such, all securities that BBH holds in custody for our clients are segregated from our own assets and can be identified through the designation of client accounts, whether they are held in BBH’s vault, the vault or accounts of a sub custodian or at a clearing corporation or central depository. They are identified by secure electronic records as to client ownership. BBH maintains auditing and control procedures for both physical assets entrusted to our care and for computer records of client accounts. We accept instructions from our clients or their authorized agents. At least once each quarter, as part of an ongoing auditing program, BBH verifies all client securities entrusted to our custody against our records. Where the client elects to custody their assets with a third-party custodian, BBH may rely in good faith on information concerning such assets provided by such third-party custodian. An audit by PriceWaterhouseCoopers (which results in a detailed SSAE 16 Report), an examination by NYSDFS, and a compliance review and risk-based testing of our custody policies and procedures occurs each year. For additional information regarding client statements, please refer to the section entitled “ADMINISTRATION OF CLIENT ACCOUNTS: *Custody, Client Communications & Reports.*”

- **Commodities/Futures Trading**

BBH is not a Commodity Trading Advisor (CTA) and relies on applicable exemptions from CTA registration when conducting trading activities with respect to commodity interests, including futures. Consistent with such exemptions, when appropriate, BBH may also trade futures and CDS on behalf of clients.

- **Partner and Employee Trading Activities**

BBH partner, employee and firm account(s) may at times purchase and sell securities that BBH as a firm follows for our Investment Management business or which BBH purchases and sells for our investment advisory clients. These purchases may be for partners’ and employees’ own accounts, or accounts in which they have a financial interest or over which they have control. Such trading may impact the pricing or proceeds realized by client accounts. With respect to BBH partners and personnel, trading is permitted pursuant to our policies and procedures, which include a BBH pre-clearance process for transactions by certain defined insiders or access persons, as well as minimum holding periods. These procedures seek to minimize conflicts of interest by restricting the type and timing of employee’s trades and are designed to prevent and detect account activity that may violate policy or applicable laws.

- **Conflicts of Interest**

BBH maintains a conflicts of interest policy relating to the management of conflicts that seeks to mitigate potential conflicts. BBH has instituted several measures to help ensure that investment decisions are objective. In general, strategies are reviewed from an investment perspective. Allocation, including allocation to proprietary funds and funds in which BBH may have a greater interest, are also periodically reviewed by compliance as part of its testing program.

- **Participation in Limited Partnerships**

Through various entities, BBH offers eligible investors the opportunity to invest in unregistered limited partnerships for which BBH may serve as general partner or investment adviser. Such investments include vehicles that participate in the “private equity” markets, mezzanine investments, hedge funds, real estate and other assets. For a further discussion, see also the section entitled, “BBH INVESTMENT MANAGEMENT SERVICES, PRODUCTS & FEES: *Private Funds*.”

- **Participation or Interest in Client Transactions**

BBH, its personnel and other financial service providers have interests in promoting sales of interests in BBH Funds. With respect to both BBH and its personnel, the remuneration and profitability relating to services to and sales of interests in BBH-affiliated funds may be greater than the remuneration and profitability relating to services to and sales of other products that might be provided or offered.

- **Foreign Exchange Trading**

In connection with transactions in foreign securities entered into pursuant to the terms of the client’s investment management agreement and subject to client investment guidelines, BBH enters into transactions for the purchase and sale of one or more foreign currencies on an agency basis with client accounts. BBH may combine foreign currency transactions for a particular client account with transactions for accounts of other BBH clients. Client accounts do not trade with BBH’s Foreign Exchange Department on a principal basis. However, BBH may process certain transactions in restricted markets on an agency basis.

- **BBH “Seed Capital”** BBH may provide initial funding or otherwise invest in funds that we manage. When BBH provides "seed capital" or other capital for a fund, it may do so with the intention of redeeming all or part of its interest at a future point in time or when it deems that sufficient additional capital has been invested in that fund. The timing of redemption by BBH could benefit BBH. For example, the fund may be more liquid at the time of BBH's redemption than it is at times when other investors may wish to withdraw all or part of their interests. In addition, a consequence of any withdrawal of a significant amount, including by BBH, is that investors remaining in the fund will bear a proportionately higher share of fund expenses following the redemption.

- **Additional Compensation**

BBH maintains a Gifts, Entertainment and Other Non-Cash Compensation Policy designed to adhere to regulations regarding giving or receiving cash or non-cash compensation.

- **Trading Errors**

BBH investigates trade errors and determines whether reimbursement to the client(s) is warranted. Trade errors resulting from client instructions or failure to instruct, an act or omission by any unaffiliated person (including unaffiliated persons retained by BBH to provide services relating to your account except to the extent BBH was grossly negligent in such selection) and any act or omission of any unaffiliated custodian, broker, transfer or similar agent of an issuer of securities, are not compensable by BBH. BBH will not earn a net profit from trade errors in client accounts resulting from BBH's gross negligence or willful misconduct and will offer to reimburse client for security related market value loss plus trading costs.

- **Referral Fee Arrangements**

BBH may enter into referral arrangements with those who wish to recommend BBH's investment advisory services to potential clients. Such arrangements may include compensation paid by BBH to such referral sources. In arrangements where BBH does pay a fee for such referrals, BBH may collect fees charged to clients referred by third parties on the assets invested and remit such fees to the appropriate entities. Employees may also receive incentive compensation for making internal referrals.

- **Financial Information**

BBH does not believe there are reasonably likely financial conditions that could impair our ability to meet our contractual commitments to our clients.

- **BBH's Customer Identification Program**

It is the policy of BBH to identify clearly each and every legal and/or natural person who seeks to do business with BBH through its Know-Your-Customer / Customer Identification Program ("CIP"). The purposes of the CIP are (a) to obtain sufficient identifying information from a client prior to establishing an account in order to minimize criminal exposure and monetary loss to BBH, (b) to verify the information used to identify the client, (c) check that a client does not appear on any relevant lists of sanctioned persons, such as those maintained by the U.S. Office of Foreign Assets Control ("OFAC"), the European Union, and the United Nations; or on any U.S. government designated lists of known or suspected terrorists or terrorist organizations; or on any list issued by local regulatory bodies of the jurisdictions in which BBH conducts its business; (d) to aid law enforcement in the prosecution of any client who would use BBH's resources for illicit purposes, such as money laundering or the funding of terrorism, and (e) periodically update client identification files consistent with its Customer AML Risk Assessment Methodology. "Knowing Your Customer" through appropriate client identification and verification is a critical element in BBH's AML Program to prevent money laundering and terrorist financing and to reduce losses from fraud.

## APPENDIX A

### GENERAL PARTNERS

- |                            |                            |
|----------------------------|----------------------------|
| 1. Thomas E. Berk          | 16. Jeffrey B. Meskin      |
| 2. Brian A. Berris         | 17. Yukinori Nagahisa      |
| 3. Taylor S. Bodman        | 18. Seán Páircéir          |
| 4. John J. Borland         | 19. Jean-Pierre Paquin     |
| 5. Geoffrey M. Cook        | 20. Christopher C. Remondi |
| 6. Jean-Marc Crépin        | 21. William E. Rosensweig  |
| 7. Douglas A. Donahue, Jr. | 22. Jeffrey A. Schoenfeld  |
| 8. Dario Galindo           | 23. Kevin W. Stone         |
| 9. Kathryn C. George       | 24. W. Carter Sullivan III |
| 10. Timothy E. Hartch      | 25. Andrew J. F. Tucker    |
| 11. Charles O. Izard       | 26. William B. Tyree       |
| 12. Michael R. Keller      | 27. Maroa C. Velez         |
| 13. Radford W. Klotz       | 28. William J. Whelan, Jr. |
| 14. Susan C. Livingston    | 29. Richard H. Witmer, Jr. |
| 15. Hampton S. Lynch, Jr.  |                            |

APPENDIX B

# BBH PRIVACY NOTICE

## What does Brown Brothers Harriman & Co. do with your personal information?

WHY?
Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
WHAT?
The types of personal information we collect and share depend on the product or service you have with us. This information can include:
<ul style="list-style-type: none"> <li>▮ Social Security number</li> <li>▮ Income</li> <li>▮ Account Balances</li> <li>▮ Transaction history</li> <li>▮ Credit history</li> <li>▮ Credit scores</li> </ul>
When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.
HOW?
All financial companies need to share customer’s personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customer’s personal information; the reasons Brown Brothers Harriman chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Brown Brothers Harriman share?	Can you limit this sharing?
<b>For our everyday business purposes</b> — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> — to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	Does Not Share
<b>For our affiliates’ everyday business purposes</b> — information about your transactions and experiences	Yes	No
<b>For our affiliates’ everyday business purposes</b> — information about your creditworthiness	No	Does Not Share
<b>For non-affiliates to market to you</b>	No	Does Not Share

**QUESTIONS?** Call 800-285-5093 or go to [www.bbh.com](http://www.bbh.com).

Who we are	
Who is providing this notice?	Brown Brothers Harriman & Co. and affiliated entities (see bottom of page)
What we do	
How does Brown Brothers Harriman protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Brown Brothers Harriman collect my personal information?	We collect your personal information, for example, when you: <ul style="list-style-type: none"> <li>▫ Open an account    ▫ Make a deposit    ▫ Initiate a transaction</li> <li>▫ Transfer funds      ▫ Make modifications to your account</li> </ul>
Why can't I limit all sharing?	Federal law gives you the right to limit only: <ul style="list-style-type: none"> <li>▫ Sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>▫ Affiliates from using your information to market to you</li> <li>▫ Sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <i>▫ Brown Brothers Harriman Investor Services Ltd., Brown Brothers Harriman (Luxembourg) S.C.A., BBH FAS Ltd., BBH Trustee Services, and our other global entities (see BBH.com).</i>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <i>▫ Subject to applicable law, you should expect that we will share your information with nonaffiliates entities for various reasons, such as: invoicing, statement printing and transaction processing</i>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <i>▫ Brown Brothers Harriman &amp; Co. does not engage in joint marketing with nonaffiliates</i>
Other important information	
Brown Brothers Harriman & Co. • Brown Brothers Harriman Trust Company, N.A. • Brown Brothers Harriman Trust Company of Delaware, N.A. • BBH Mutual Fund Advisory Department (the "SID") • BBH Trust ("BBH Funds")	

## APPENDIX C

### GUIDE TO SERVICES AND COMPENSATION AS REQUIRED BY RULE 408(b)(2) UNDER ERISA

The following is a guide to important information that you should consider in connection with the services to be provided by Brown Brothers Harriman & Co. (“BBH”) to your retirement plan (“Plan”). This guide is intended to satisfy the requirements of the U.S. Department of Labor’s regulation under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Capitalized terms used in this guide but not defined herein shall have the meaning set forth in the Investment Advisory Agreement between the Plan and BBH dated [DATE] (the “Investment Advisory Agreement”). Should you have any questions concerning this guide or the information provided to you concerning our services or compensation, please do not hesitate to contact [Relationship Manager].

Required Information	Location
<b>Services.</b> Description of the services that BBH will provide to your Plan(s)	BBH has been retained to provide investment management services to the Plan(s)
<b>Status.</b> Whether BBH will provide services directly to the Plan(s) as an ERISA fiduciary and/or as an investment adviser under the Investment Advisors Act of 1940 or State Law.	BBH is acting as a fiduciary and an investment adviser in providing the investment management services to the Plan(s). See Investment Advisory Agreement, Section [___].
<b>Compensation.</b>	
<b>Direct Compensation.</b> Compensation that BBH expects to receive directly from your Plan(s)	BBH receives a fee (generally expressed as a percentage of assets under management) for providing investment management services to your Plan(s). See [Schedule A] to the Investment Advisory Agreement for a description of such fees and other payment details.
<b>Indirect Compensation.</b> Compensation that BBH will receive from other parties not related to BBH	[FOR EQUITY MANDATES] BBH has arrangements with brokerage firms who, in addition to providing execution services, also provide research products and/or services. A portion of commissions generated from client commission arrangements (or “soft dollars”) are allocated to research services. As permitted by section 28E of the Securities Exchange Act of 1934, such research products and services are paid for using soft dollars. The products include research reports; research-oriented computer software and services; discussions with research analysts; market data, quotation services and statistical information; meetings with corporate executives to obtain oral reports on the performance of a company; seminars or conferences, financial newsletters and trade journals that are not mass-marketed, and order management systems. As our arrangements with brokers change, the percentage allocated to soft dollars will vary. It is difficult to predict the arrangement BBH may negotiate with brokers. At present, up to 2.0 cents per share of the brokerage commission may be used to acquire research/brokerage.

<b>Fees and Expenses related to your Plan's BBH-Sponsored Investment Options</b>	[INCLUDED IF PLAN INVESTS IN A BBH PROPRIETARY FUND]
<b>Compensation paid among related parties.</b> Compensation that will be paid among BBH and related parties if set on a transaction basis or charged directly against the Plan's investment and reflected in the net asset value of the investment.	Not Applicable
<b>Trade Errors</b>	If a trade error is made with respect to your Retirement Plan, BBH will correct the error by putting the Retirement Plan in the position it would have been in had the error not occurred. Specifically, if the trade error results in a loss to the Retirement Plan, BBH will restore the loss to put the account in the position it would have been in if not for the error. In the case of an ERISA Plan, for post-settlement trade errors resulting in a gain, the gain will remain in the ERISA Plan.
<b>Compensation for termination of contract or arrangement.</b> Compensation BBH will receive if you terminate this service agreement.	<i>[IF FEES PAID IN ADVANCE]</i> <i>In the event that the Investment Advisory Agreement is terminated prior to the end of a billing period, if the investment advisory fee was paid in advance, BBH will make a pro rata refund of the investment advisory fee (less any expenses) based on the number of days remaining in the billing period.</i>
<b>Investment Disclosure—fiduciary services.</b> Fees and expenses relating to your Plan's investment options.	Not Applicable
<b>Manner of receipt.</b> Description of the manner in which the compensation will be received.	See Fee Schedule to the Investment Advisory Agreement