

# Prospectus

May 1, 2017



**BROWN ADVISORY – MACQUARIE ASIA NEW STARS FUND  
(FORMERLY, BROWN ADVISORY EMERGING MARKETS SMALL-CAP FUND)**

**Institutional Shares (BAFNX)  
Investor Shares (BIANX)  
Advisor Shares (Not Available for Sale)**

**The Securities and Exchange Commission has not approved or disapproved the Fund's shares or determined whether this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

# Table of Contents



## Summary Section

This important section summarizes the Fund's objectives, strategies, fees, risks, past performance, portfolio turnover, portfolio manager, your account and other information.

## Details About the Fund's Investment Strategies

This section provides details about the Fund's investment strategies.

## Table of Investment Terms

## Principal Investment Risks

This section provides details about the Fund's principal investment risks.

## Management

Review this section for information about Brown Advisory LLC (the "Adviser"), and the people who manage the Fund.

## Choosing Your Share Class

This section explains the differences between each class of shares and the applicable fees and sales charges.

## Your Account

This section explains how shares are valued and how you can purchase and sell Fund shares.

## Distributions and Taxes

This section provides details about dividends, distributions and taxes.

## Index Descriptions

## Financial Highlights

Review this section for details on selected financial statements of the Fund.

<b>Summary Section</b> .....	<b>1</b>
Brown Advisory – Macquarie Asia New Stars Fund .....	1

<b>Additional Information about the Fund's Principal Investment Strategies</b> .....	<b>8</b>
Brown Advisory – Macquarie Asia New Stars Fund .....	8

<b>Principal Risks</b> .....	<b>10</b>
------------------------------	-----------

<b>Management</b> .....	<b>17</b>
The Adviser .....	17
The Sub-Adviser.....	18
Portfolio Managers .....	18
Other Service Providers .....	19
Fund Expenses .....	19

<b>Choosing a Share Class</b> .....	<b>20</b>
Class Comparison .....	20
Rule 12b-1 Distribution Fees.....	21
Shareholder Service Fees.....	22
Additional Payments to Dealers .....	22

<b>Your Account</b> .....	<b>24</b>
How to Contact the Fund .....	24
General Information.....	24
How to Buy Shares.....	28
How to Sell Shares.....	32
Exchange Privileges.....	35
Account and Transaction Polices .....	36

<b>Distributions and Taxes</b> .....	<b>41</b>
Distributions.....	41
Taxes.....	41

<b>Index Descriptions</b> .....	<b>43</b>
---------------------------------	-----------

<b>Financial Highlights</b> .....	<b>44</b>
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## Summary Section

### Brown Advisory – Macquarie Asia New Stars Fund

**Institutional Shares (BAFNX)**

**Investor Shares (BIANX)**

**Advisor Shares (Not Available for Sale)**

#### Investment Objective

The Brown Advisory – Macquarie Asia New Stars Fund (formerly, the Brown Advisory Emerging Markets Small-Cap Fund) (the “Fund”) seeks to achieve total return by investing principally in equity securities issued by small and medium capitalization companies which are domiciled in or exercise the predominant part of their economic activity in Asia (excluding Japan), as defined by those countries included in the MSCI AC Asia ex Japan SMID Cap Index.

#### Fees and Expenses

The following table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

<b>Shareholder Fees</b> <i>(fees paid directly from your investment)</i>	<b>Institutional Shares</b>	<b>Investor Shares</b>	<b>Advisor Shares</b>
Maximum Sales Charge (Load) imposed on Purchases (as a % of the offering price)	None	None	None
Maximum Deferred Sales Charge (Load) imposed on Redemptions (as a % of the sale price)	None	None	None
Redemption Fee (as a % of amount redeemed on shares held for 14 days or less)	1.00%	1.00%	1.00%
Exchange Fee (as a % of amount exchanged on shares held for 14 days or less)	1.00%	1.00%	1.00%
<b>Annual Fund Operating Expenses</b> <i>(expenses that you pay each year as a percentage of the value of your investment)</i>			
Management Fees	1.25%	1.25%	1.25%
Distribution (12b-1) Fees	None	None	0.25%
Shareholder Servicing Fees	None	0.15%	0.15%
Other Expenses	0.26%	0.26%	0.26%
Acquired Fund Fees and Expenses <sup>(1)</sup>	0.03%	0.03%	0.03%
<b>Total Annual Fund Operating Expenses</b>	<b>1.54%</b>	<b>1.69%</b>	<b>1.94%</b>

<sup>(1)</sup> “Acquired Fund Fees and Expenses” are indirect fees and expenses that the Fund incurs from investing in the shares of other mutual funds, including money market funds and exchange traded funds. Please note that the amount of Total Annual Fund Operating Expenses shown in the above table will differ from the “Financial Highlights” section of the Prospectus which reflects the operating expenses of the Fund and does not include indirect expenses such as Acquired Fund Fees and Expenses.

#### Example

The example below is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. This example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of each period. The example also assumes that your investment has a 5% annual return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Institutional Shares	\$157	\$486	\$839	\$1,834
Investor Shares	\$172	\$533	\$918	\$1,998
Advisor Shares	\$197	\$609	\$1,047	\$2,264

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund’s performance. During the most recent fiscal year, the portfolio turnover rate for the Fund was 126% of the average value of its portfolio.

### Principal Investment Strategies

Under normal conditions, the Fund seeks to achieve its investment objective by investing at least 80% of the value of its net assets (plus any borrowings for investment purposes) in equity securities issued by small and medium capitalization companies which are domiciled in or exercise the predominant part of their economic activity in Asia (excluding Japan) – as defined by those countries included in the MSCI AC Asia ex Japan SMID Cap Index.

As of March 31, 2017, the following countries were included in the MSCI AC Asia ex Japan SMID Cap Index: China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, and Thailand.

In determining whether a company is domiciled in or exercises the predominant part of its economic activity in Asia, the Fund will consider any one of the following four factors when making its determination: (i) country of organization; (ii) primary securities trading market; (iii) location of assets; or (iv) country where the company derives at least half of its revenue or profits.

The Fund defines small and medium capitalization companies as companies whose market capitalizations fall within the range of the market capitalizations of companies in the MSCI AC Asia ex Japan SMID Cap Index, as measured at the time of purchase. As of March 31, 2017, this range for actively traded securities was between \$137 million and \$15.6 billion.

Equity securities in which the Fund may invest include common stock, preferred stock, equity-equivalent securities such as stock futures contracts, equity options, other investment companies, American Depositary Receipts (“ADRs”), Global Depositary Receipts (“GDRs”), and exchange traded funds (“ETFs”).

The Fund may invest up to 20% of its net assets in securities of companies that are established or operating in countries that are considered to be outside of Asia, which may include less developed and emerging markets countries as well as other developed market countries.

The Fund may utilize options, futures contracts and options on futures. These investments will typically be made for investment purposes consistent with the Fund’s investment objective and may also be used to mitigate or hedge risks within the portfolio or for the temporary investment of cash balances. The Fund may also invest in participatory notes which are instruments that are used to replicate the performance of certain underlying issuers and markets. By investing in derivatives, the Fund attempts to achieve the economic equivalence it would achieve if it were to invest directly in the underlying security. Investments in derivatives may be counted towards the Fund’s 80% investment policy if they have

economic characteristics similar to the other investments that are included in the Fund’s 80% investment policy.

The Fund may sell its portfolio securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

In order to respond to adverse market, economic, political or other conditions, the Fund may assume a temporary defensive position that is inconsistent with its investment objective and principal investment strategies and invest, without limitation, in cash or prime quality cash equivalents. A defensive position, taken at the wrong time, may have an adverse impact on the Fund’s performance. The Fund may be unable to achieve its investment objective during the employment of a temporary defensive measure.

### Principal Investment Risks of the Fund

As with all mutual funds, there is the risk that you could lose all or a portion of your investment in the Fund. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The following are the principal risks that could affect the value of your investment:

- **American Depository Receipts (“ADRs”) and Global Depository Receipts (“GDRs”) Risk.** ADRs and GDRs may be subject to some of the same risks as direct investment in foreign companies, which includes international trade, currency, political, regulatory and diplomatic risks. In a sponsored ADR arrangement, the foreign issuer assumes the obligation to pay some or all of the depository’s transaction fees. Under an unsponsored ADR arrangement, the foreign issuer assumes no obligations and the depository’s transaction fees are paid directly by the ADR holders. Because unsponsored ADR arrangements are organized independently and without the cooperation of the issuer of the underlying securities, available information concerning the foreign issuer may not be as current as for sponsored ADRs and voting rights with respect to the deposited securities are not passed through. GDRs can involve currency risk since, unlike ADRs, they may not be U.S. dollar-denominated.
- **Asian Securities Risk.** Many of the countries in the Asia region are considered underdeveloped or developing, including from a political, economic and/or social perspective, and may have relatively unstable governments and economies based on limited business, industries and/or natural resources or commodities. Events in any one country within the region may impact other countries in the region or the region as a whole. As a result, events in the region will generally have a greater effect on the Fund than if the Fund were more geographically diversified. This could result in increased volatility in the value of the Fund’s investments and losses for the Fund. In addition, securities of some companies in the region can be less liquid than U.S. or other foreign securities, potentially making it difficult for the Fund to sell such securities at a desirable time and price.
- **Currency and Exchange Rate Risk.** Investments in currencies, currency futures contracts, forward currency exchange contracts or similar instruments, as well as securities that are denominated in foreign currency, are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. In addition, the Fund may engage in currency hedging transactions. Currency hedging transactions are subject to the risk that a result opposite expectations occurs (an expected decline turns into a rise and conversely) resulting in a loss to the Fund.
- **Derivatives Risk.** The risks of investments in options and futures contracts include imperfect correlation between the value of these instruments and the underlying assets; risks of default by the other party to the derivative transactions; risks that the transactions may result in losses that partially or completely offset gains in portfolio positions; and risks that the derivative transactions may not be liquid.

- **Emerging Markets Risk.** The Fund may invest in emerging markets, which may carry more risk than investing in developed foreign markets. Risks associated with investing in emerging markets include limited information about companies in these countries, greater political and economic uncertainties compared to developed foreign markets, underdeveloped securities markets and legal systems, potentially high inflation rates, and the influence of foreign governments over the private sector.
- **Equity and General Market Risk.** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value. The stock market may experience declines or stocks in the Fund’s portfolio may not increase their earnings at the rate anticipated. The Fund’s NAV and investment return will fluctuate based upon changes in the value of its portfolio securities. Markets may, in response to economic or market developments, governmental actions or intervention, or other external factors, experience periods of high volatility and reduced liquidity. During those periods, the Fund may experience high levels of shareholder redemptions, and may have to sell securities at times when the Fund would otherwise not do so, potentially at unfavorable prices. Certain securities may be difficult to value during such periods.
- **ETF Risk.** ETFs may trade at a discount to the aggregate value of the underlying securities and frequent trading of ETFs by the Fund can generate brokerage expenses. Shareholders of the Fund will indirectly be subject to the fees and expenses of the individual ETFs in which the Fund invests and these fees and expenses are in addition to the fees and expenses that Fund shareholders directly bear in connection with the Fund’s own operations.
- **Foreign Securities Risk.** The Fund may invest in foreign securities and is subject to risks associated with foreign markets, such as adverse political, social and economic developments, accounting standards or governmental supervision that is not consistent with that to which U.S. companies are subject, limited information about foreign companies, less liquidity in foreign markets and less protection to the shareholders in foreign markets.
- **Growth Company Risk.** Securities of growth companies can be more sensitive to the company’s earnings and more volatile than the market in general.
- **Investments in Other Investment Companies Risk.** Shareholders of the Fund will indirectly be subject to the fees and expenses of the other investment companies in which the Fund invests and these fees and expenses are in addition to the fees and expenses that Fund shareholders directly bear in connection with the Fund’s own operations. In addition, shareholders will be exposed to the investment risks associated with investments in the other investment companies.
- **Liquidity Risk.** Certain securities held by the Fund may be difficult (or impossible) to sell at the time and at the price the Fund would like. As a result, the Fund may have to hold these securities longer than it would like and may forego other investment opportunities. There is the possibility that the Fund may lose money or be prevented from realizing capital gains if it cannot sell a security at a particular time and price.
- **Management Risk.** The Fund may not meet its investment objective based on the Sub-Adviser’s success or failure to implement investment strategies for the Fund.
- **Portfolio Turnover Risk.** High portfolio turnover involves correspondingly greater expenses to the Fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of

securities and reinvestments in other securities. Higher portfolio turnover also may result in higher taxes when Fund shares are held in a taxable account.

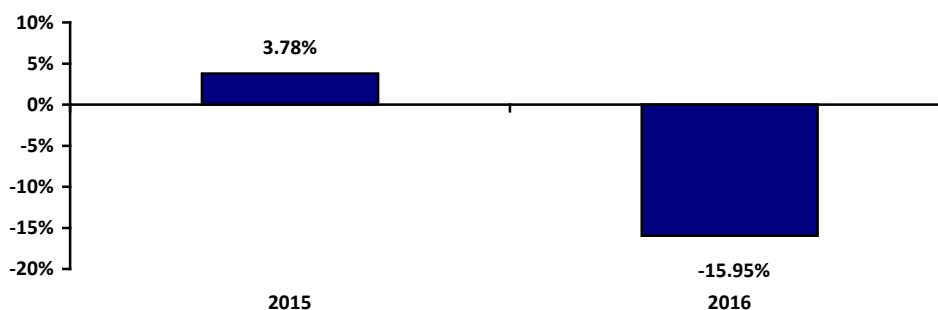
- **Private Placement Risk.** The Fund may invest in privately issued securities of foreign common and preferred stock, convertible debt securities, ADRs and REITs, including those which may be resold only in accordance with Rule 144A under the Securities Act of 1933, as amended. Privately issued securities are restricted securities that are not publicly traded. Delay or difficulty in selling such securities may result in a loss to the Fund.
- **Smaller and Medium Capitalization Company Risk.** Securities of smaller and medium-sized companies may be more volatile and more difficult to liquidate during market down turns than securities of larger companies. Additionally the price of smaller companies may decline more in response to selling pressures.
- **Valuation Risk.** The prices provided by the Fund’s pricing services or independent dealers or the fair value determinations made by the valuation committee of the Adviser may be different from the prices used by other mutual funds or from the prices at which securities are actually bought and sold. The prices of certain securities provided by pricing services may be subject to frequent and significant change, and will vary depending on the information that is available.

### Performance Information

The following performance information provides some indication of the risks of investing in the Fund. The bar chart shows the Fund’s performance of Investor Shares from year-to-year. The table shows how the average annual returns of the Investor Shares and Institutional Shares for one year and since inception periods compare to a broad-based market index. The Fund changed its principal investment strategies on May 1, 2017, and the performance below prior to May 1, 2017 is attributable to the previous principal investment strategies.

Performance information represents only past performance, before and after taxes, and does not necessarily indicate future results. Updated performance information is available online at [www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com) or by calling 800-540-6807 (toll free).

**Brown Advisory – Macquarie Asia New Stars Fund – Investor Shares  
Calendar Year Total Return**



The Fund’s calendar year-to-date total return as of March 31, 2017 was 14.69%. During the period shown in the chart, the highest quarterly return was 9.87% for the quarter ended June 30, 2015, and the lowest quarterly return was -15.95% for the quarter ended December 31, 2016.

**Brown Advisory – Macquarie Asia New Stars Fund**  
**Average Annual Total Returns**

For the periods ended December 31, 2016	1 Year	Since Inception (11/21/14)
<b>Investor Shares</b>		
– Return Before Taxes	-15.95%	-7.30%
– Return After Taxes on Distributions	-15.95%	-8.04%
– Return After Taxes on Distributions and Sale of Fund Shares	-9.03%	-5.75%
<b>Institutional Shares</b>		
– Return Before Taxes	-15.81%	-7.14%
MSCI AC Asia ex Japan SMID Cap Index* (reflects no deduction for fees, expenses and taxes)	-1.32%	-3.83%
MSCI Emerging Markets Small Cap Index* (reflects no deduction for fees, expenses and taxes)	2.28%	-3.78%

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. In certain cases, the figure representing “Return after Taxes on Distributions and Sale of Fund Shares” may be higher than the other return figures for the same period, since a higher after-tax return results when a capital loss occurs upon redemption and provides an assumed tax deduction that benefits the investor. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Investor Shares only. After-tax returns for Institutional Shares would vary.

\*The Fund is discontinuing the use of the MSCI Emerging Markets Small Cap Index as the primary index and replacing it with the MSCI AC Asia ex Japan SMID Cap Index. The Fund believes that use of the MSCI AC Asia ex Japan SMID Cap Index provides a better comparative benchmark since it more appropriately reflects the securities in which the Fund may invest.

**Management**

Brown Advisory LLC is the Fund’s investment adviser. Macquarie Funds Management Hong Kong Limited (“MFMHKL”) is the Fund’s sub-adviser.

Investment Sub-Adviser	Portfolio Managers
Macquarie Funds Management Hong Kong Limited	John Bugg and Sam Le Cornu have served as portfolio managers since the Fund’s inception in 2014.

**Purchase and Sale of Fund Shares**

You may purchase, exchange or redeem Fund shares on any business day by written request via mail (Brown Advisory Funds, c/o U.S. Bancorp Fund Services, LLC, P.O. Box 701, Milwaukee, WI 53201-0701), by wire transfer, by telephone at 800-540-6807 (toll free) or 414-203-9064, or through the Internet at [www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com). Investors who wish to purchase, exchange or redeem Fund shares through a broker-dealer should contact the broker-dealer directly. The minimum initial and subsequent investment amounts for various types of accounts are shown below.



Type of Account	Minimum Initial Investment	Minimum Additional Investment
<b>Institutional Shares</b>		
– Standard Accounts	\$1,000,000	\$100
<b>Investor Shares</b>		
– Standard Accounts	\$100	\$100
– Traditional and Roth IRA Accounts	\$100	\$100
– Accounts with Systematic Investment Plans	\$100	\$100
<b>Advisor Shares</b>		
– Standard Accounts	\$100	\$100
– Traditional and Roth IRA Accounts	\$100	N/A
– Accounts with Systematic Investment Plans	\$100	\$100
– Qualified Retirement Plans	N/A	N/A

The minimum investment requirements are waived for retirement plans that are qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (“IRC”) and tax-exempt under Section 501(a) of the IRC, and plans operating consistent with Section 403(a), 403(b), 408, 408A, 457 or 223(d) of the IRC.

### Tax Information

The Fund’s distributions are taxed as ordinary income or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account. Such tax-deferred arrangements may be taxed later upon withdrawal of monies from those arrangements.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a fund-supermarket), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

## **Additional Information about the Fund's Principal Investment Strategies**



### **Brown Advisory – Macquarie Asia New Stars Fund**

#### **Investment Objective**

The Brown Advisory – Macquarie Asia New Stars Fund seeks to achieve total return by investing principally in equity securities issued by small and medium capitalization companies which are domiciled in or exercise the predominant part of their economic activity in Asia (excluding Japan), as defined by those countries included in the MSCI AC Asia ex Japan SMID Cap Index.

#### **Principal Investment Strategies**

Under normal conditions, the Fund seeks to achieve its investment objective by investing at least 80% of the value of its net assets (plus any borrowings for investment purposes) in equity securities issued by small and medium capitalization companies which are domiciled in or exercise the predominant part of their economic activity in Asia (excluding Japan) – as defined by those countries included in the MSCI AC Asia ex Japan SMID Cap Index. The Fund will provide shareholders with 60 days' prior written notice if it changes its 80% investment policy.

As of March 31, 2017, the following countries were included in the MSCI AC Asia ex Japan SMID Cap Index: China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

In determining whether a company is domiciled in or exercises the predominant part of its economic activity in Asia, the Fund will consider any one of the following four factors when making its determination: (i) country of organization; (ii) primary securities trading market; (iii) location of assets; or (iv) country where the company derives at least half of its revenue or profits.

The Fund defines small and medium capitalization companies as companies whose market capitalizations fall within the range of the market capitalizations of companies in the MSCI AC Asia ex Japan SMID Cap Index, as measured at the time of purchase. As of March 31, 2017, this range for actively traded securities was between \$137 million and \$15.6 billion.

Equity securities in which the Fund may invest include common stock, preferred stock, equity-equivalent securities such as stock futures contracts, equity options, other investment companies, American Depositary Receipts (“ADRs”), Global Depositary Receipts (“GDRs”), and exchange traded funds (“ETFs”).

The Fund may invest up to 20% of its net assets in securities of companies that are established or operating in countries that are considered to be outside of Asia, which may include less developed and emerging markets countries as well as other developed market countries.

The Fund may utilize options, futures contracts and options on futures. These investments will typically be made for investment purposes consistent with the Fund's investment objective and may also be used to mitigate or hedge risks within the portfolio or for the temporary investment of cash balances. The Fund may also invest in participatory notes which are instruments that are used to replicate the performance of certain underlying issuers and markets. By investing in derivatives, the Fund attempts to achieve the economic equivalence it would achieve if it were to invest directly in the underlying security.

## Additional Information about the Fund's Principal Investment Strategies



Investments in derivatives may be counted towards the Fund's 80% investment policy if they have economic characteristics similar to the other investments that are included in the Fund's 80% investment policy.

### **The Sub-Adviser's Investment Process**

MFMHKL manages the securities of the Fund and makes investment decisions for the Fund subject to such policies as the Board of Trustees may determine. MFMHKL selects investments for the Fund based on its own investment style and strategy. However, MFMHKL's activities are subject to general supervision by the Adviser and the Board of Trustees. Although the Adviser and the Board do not evaluate the investment merits of MFMHKL's specific securities selections, they do review the performance of MFMHKL relative to the selection criteria. MFMHKL will aim to invest in a portfolio that captures the potential growth of small market capitalization securities with exposure to one or more countries in Asia (ex-Japan) that qualify, or will qualify as eligible markets for the strategy.

MFMHKL uses both qualitative and quantitative approaches to stock selection and weighting of stocks within the portfolio.

In addition to listed equity securities, equity exposure may also be achieved through investment in depository receipts, and participation notes. Exposure may also be achieved, to a limited extent, through investment in equity swaps, convertible securities, index linked notes, index futures, warrants and other participation rights. The Fund may also provide investors with exposure to returns from secondary market trading of recently listed small cap securities with exposure to one or more countries in Asia ex-Japan.

**Temporary Defensive Position.** In order to respond to adverse market, economic, political, or other conditions, the Fund may assume a temporary defensive position that is inconsistent with its investment objective and its principal investment strategy and invest without limit in cash and prime quality cash equivalents such as prime commercial paper and other money market instruments. A defensive position, taken at the wrong time, may have an adverse impact on the Fund's performance. The Fund may be unable to achieve its investment objective during the employment of a temporary defensive measure.

### **Who May Want to Invest in the Fund**

The Fund may be appropriate for you if you:

- Are willing to tolerate significant changes in the value of your investment;
- Are pursuing a long-term investment goal;
- Are willing to accept risk of market value fluctuation in the short-term; or
- Want an investment that focuses only on particular sectors or industries.

The Fund may not be appropriate for you if you:

- Need regular income or stability of principal;
- Are pursuing a short-term investment goal or investing emergency reserves; or
- Cannot tolerate fluctuation in the value of your investments.

## Principal Risks



An investment in the Fund is subject to one or more of the principal risks identified in the following table. The identified principal risks are discussed in more detail in the disclosure that immediately follows the table.

	Brown Advisory – Macquarie Asia New Stars Fund
ADRs and GDRs Risk	✓
Asian Securities Risk	✓
Currency and Exchange Rate Risk	✓
Derivatives Risk	✓
Equity and General Market Risk	✓
ETF Risk	✓
Foreign Securities/Emerging Markets Risk	✓
Growth Company Risk	✓
Investments in Other Investment Companies Risk	✓
Liquidity Risk	✓
Management Risk	✓
Portfolio Turnover Risk	✓
Private Placement Risk	✓
Smaller and Medium Capitalization Company Risk	✓
Valuation Risk	✓

As with all mutual funds, there is the risk that you could lose all or a portion of your investment in the Fund. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. There is no assurance that the Fund will achieve its investment objective, and an investment in the Fund is not by itself a complete or balanced investment program. The following provides additional information regarding the principal risks that could affect the value of your investment:

### **American Depositary Receipts (“ADRs”) and Global Depositary Receipts (“GDRs”) Risk**

ADRs and GDRs may be subject to some of the same risks as direct investment in foreign companies, which includes international trade, currency, political, regulatory and diplomatic risks. In a sponsored ADR arrangement, the foreign issuer assumes the obligation to pay some or all of the depositary’s transaction fees. Under an unsponsored ADR arrangement, the foreign issuer assumes no obligations and the depositary’s transaction fees are paid directly by the ADR holders. Because unsponsored ADR arrangements are organized independently and without the cooperation of the issuer of the underlying securities, available information concerning the foreign issuer may not be as current as for sponsored ADRs and voting rights with respect to the deposited securities are not passed through. GDRs can involve currency risk, since unlike ADRs, they may not be U.S. dollar-denominated.

### **Asian Securities Risk**

Many of the countries in the Asia region are considered underdeveloped or developing, including from a political, economic and/or social perspective, and may have relatively unstable governments and economies based on limited business, industries and/or natural resources or commodities. Countries in Asia can be reliant on only a few industries or commodities. Many Asian economies are characterized by high inflation, undeveloped financial service sectors, frequent currency fluctuations, devaluations, or restrictions, political and social instability, and less efficient markets. The economies of many Asian countries are heavily dependent on international trade and can be adversely affected by trade barriers, exchange controls and other measures imposed or negotiated by the countries with which they trade.

Events in any one country within the region may impact other countries in the region or the region as a whole. As a result, events in the region will generally have a greater effect on the Fund than if the Fund were more geographically diversified. This could result in increased volatility in the value of the Fund’s investments and losses for the Fund. Also, securities of some companies in the region can be less liquid than U.S. or other foreign securities, potentially making it difficult for the Fund to sell such securities at a desirable time and price.

### **Currency and Exchange Rate Risk**

The Fund uses various strategies to attempt to minimize the impact of changes in the value of a currency against the U.S. dollar. These strategies may not always be successful. In order to minimize transaction costs, or for other reasons, the Fund’s exposure to a foreign currency may not be fully hedged at all times. Currency exchange rates can be very volatile and can change quickly and unpredictably for a number of reasons, including changes in interest rates and the imposition of currency controls or other political, economic and tax developments in the U.S. or abroad. Therefore, the value of an investment in the Fund may also go up or down quickly and unpredictably in response to these events and investors may lose money as a result.

### **Derivatives Risk**

Derivatives are financial instruments that have a value which depends upon, or derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. Derivatives may result in investment exposures that are greater than their cost would suggest; in other words, a small investment in a derivative may have a large impact on the Fund’s

## Principal Risks



performance. The successful use of derivatives generally depends on the manager's ability to predict market movements.

The Fund may use derivatives in various ways. The Fund may use derivatives as a substitute for taking a position in the reference asset or to gain exposure to certain asset classes; under such circumstances, the derivatives may have economic characteristics similar to those of the reference asset, and the Fund's investment in the derivatives may be applied toward meeting a requirement to invest a certain percentage of its net assets in instruments with such characteristics. The Fund may use derivatives to hedge (or reduce) its exposure to a portfolio asset or risk. The Fund may use derivatives for leverage. The Fund may also use derivatives to manage cash.

Derivatives are subject to a number of risks described elsewhere in this section, such as liquidity risk, interest rate risk, credit risk and general market risks. The Fund's use of derivatives may entail risks greater than, or possibly different from, such risks and other Principal Risks to which the Fund is exposed, as described below. Certain of the different risks to which the Fund might be exposed due to its use of derivatives include the following:

*Hedging Risk* is the risk that derivative instruments used to hedge against an opposite position may offset losses, but they also may offset gains.

*Correlation Risk* is the risk that derivative instruments may be mispriced or improperly valued and that changes in the value of the derivatives may not correlate perfectly with the underlying asset or security.

*Volatility Risk* is the risk that, because the Fund may use some derivatives that involve economic leverage, this economic leverage will increase the volatility of the derivative instruments as they may increase or decrease in value more quickly than the underlying currency, security, interest rate or other economic variable.

*Segregation Risk* is the risk associated with any requirement, which may be imposed on the Fund, to segregate assets or enter into offsetting positions in connection with investments in derivatives. Such segregation will not limit the Fund's exposure to loss, and the Fund may incur investment risk with respect to the segregated assets to the extent that, but for the applicable segregation requirement, the Fund would sell the segregated assets.

## Equity and General Market Risk

The Fund's investments in equity securities may subject the Fund to volatility and the following risks:

- prices of stock may fall over short or extended periods of time;
- cyclical movements of the equity market may cause the value of the Fund's securities to fluctuate drastically from day to day; and
- individual companies may report poor results or be negatively affected by industry and or economic trends and developments.

In general, stock values are affected by activities specific to the company as well as general market, economic and political conditions. The net asset value ("NAV") of the Fund and investment return will fluctuate based upon changes in the value of its portfolio securities. The market value of securities in

## Principal Risks



which the Fund invests is based upon the market's perception of value and is not necessarily an objective measure of the securities' value. Other general market risks include:

- the market may not recognize what the Sub-Adviser believes to be the true value or growth potential of the stocks held by the Fund;
- the earnings of the companies in which the Fund invests will not continue to grow at expected rates, thus causing the price of the underlying stocks to decline;
- the smaller a company's market capitalization, the greater the potential for price fluctuations and volatility of its stock due to lower trading volume for the stock, less publicly available information about the company and less liquidity in the market for the stock. The potential for price fluctuations in the stock of a medium capitalization company may be greater than that of a large capitalization company;
- the Adviser's or Sub-Adviser's judgment as to the growth potential or value of a stock may prove to be wrong; and
- a decline in investor demand for the stocks held by the Fund also may adversely affect the value of the securities.

Markets may, in response to economic or market developments, governmental actions or intervention, or other external factors, experience periods of high volatility and reduced liquidity. During those periods, the Fund may experience high levels of shareholder redemptions, and may have to sell securities at times when the Fund would otherwise not do so, potentially at unfavorable prices. Certain securities may be difficult to value during such periods.

### **ETF Risk**

Investments in ETFs (which may, in turn, invest in equities, bonds, and other financial vehicles) may involve duplication of certain fees and expenses. By investing in an ETF, the Fund becomes a shareholder of that ETF. As a result, Fund shareholders indirectly bear their proportionate share of the ETF's fees and expenses which are paid by the Fund as a shareholder of the ETF. These fees and expenses are in addition to the fees and expenses that Fund shareholders directly bear in connection with the Fund's own operations. If the ETF fails to achieve its investment objective, the Fund's investment in the ETF may adversely affect the Fund's performance. Investing in an ETF subjects the Fund to these risks affecting the ETF, including the possibility that the value of the underlying securities held by the ETF could decrease. In addition, because ETFs are listed on national stock exchanges and are traded like stocks listed on an exchange, (1) the Fund may acquire ETF shares at a discount or premium to their NAV and (2) ETFs are subject to brokerage and other trading costs, which could result in greater expenses to the Fund. Finally, because the value of ETF shares depends on the demand in the market, the Sub-Adviser may not be able to liquidate the Fund's holdings at the most optimal time, adversely affecting the Fund's performance.

### **Foreign Securities/Emerging Market Risk**

If the Fund invests in foreign securities and ADRs/GDRs, an investment in that Fund may have the following additional risks:

- foreign securities may be subject to greater fluctuations in price than securities of U.S. companies because foreign markets may be smaller and less liquid than U.S. markets;
- changes in foreign tax laws, exchange controls, investment regulations and policies on nationalization and expropriation as well as political instability may affect the operations of foreign companies and the value of their securities;

- fluctuations in currency exchange rates and currency transfer restitution may adversely affect the value of the Fund's investments in foreign securities, which are denominated or quoted in currencies other than the U.S. dollar;
- foreign securities and their issuers are not subject to the same degree of regulation as U.S. issuers regarding information disclosure, insider trading and market manipulation. There may be less publicly available information on foreign companies and foreign companies may not be subject to uniform accounting, auditing, and financial standards as are U.S. companies;
- foreign securities registration, custody and settlements may be subject to delays or other operational and administrative problems;
- certain foreign brokerage commissions and custody fees may be higher than those in the United States;
- dividends payable on the foreign securities contained in the Fund's portfolio may be subject to foreign withholding taxes, thus reducing the income available for distribution to the Fund's shareholders; and
- prices for stock or ADRs/GDRs, may fall over short or extended periods of time.

If the Fund invests in emerging markets, an investment in that Fund may have the following additional risks:

- information about the companies in emerging markets is not always readily available;
- stocks of companies traded in emerging markets may be less liquid and the prices of these stocks may be more volatile than the prices of the stocks in more established markets;
- greater political and economic uncertainties exist in emerging markets than in developed foreign markets;
- the securities markets and legal systems in emerging markets may not be well developed and may not provide the protections and advantages of the markets and systems available in more developed countries;
- very high inflation rates may exist in emerging markets and could negatively impact a country's economy and securities markets;
- emerging markets may impose restrictions on the Fund's ability to repatriate investment income or capital and thus, may adversely affect the operations of the Fund;
- certain emerging markets impose constraints on currency exchange and some currencies in emerging markets may have been devalued significantly against the U.S. dollar;
- governments of some emerging markets exercise substantial influence over the private sector and may own or control many companies. As such, governmental actions could have a significant effect on economic conditions in emerging markets, which, in turn, could affect the value of the Fund's investments; and
- emerging markets may be subject to less government supervision and regulation of business and industry practices, stock exchanges, brokers and listed companies.

ADR and GDR investments may subject the Fund to the same risks as direct investments in foreign companies.

For these and other reasons, the prices of securities in emerging markets can fluctuate more significantly than the prices of securities of companies in developed countries. The less developed the country, the greater affect these risks may have on your investment in the Fund, and as a result, an investment in that Fund may exhibit a higher degree of volatility than either the general domestic securities market or the securities markets of developed foreign countries.



### **Growth Company Risk**

An investment in growth stocks may be susceptible to rapid price swings, especially during periods of economic uncertainty. Growth stocks typically have little or no dividend income to cushion the effect of adverse market conditions and may be particularly volatile in the event of earnings disappointments or other financial difficulties experienced by the issuer.

### **Investments in Other Investment Companies Risk**

Investments in other investment companies, including money market funds, may involve duplication of certain fees and expenses. By investing in other investment companies, the Fund becomes a shareholder of that company. As a result, Fund shareholders indirectly bear their proportionate share of the other investment company's fees and expenses which are paid by the Fund as a shareholder of the other investment company. These fees and expenses are in addition to the fees and expenses that Fund shareholders directly bear in connection with the Fund's own operations. If the other investment company fails to achieve its investment objective, the Fund's investment in the other investment company may adversely affect the Fund's performance.

### **Liquidity Risk**

Certain securities held by the Fund may be difficult (or impossible) to sell at the time and at the price the Sub-Adviser would like. As a result, the Fund may have to hold these securities longer than it would like and may forego other investment opportunities. There is the possibility that the Fund may lose money or be prevented from realizing capital gains if it cannot sell a security at a particular time and price.

### **Management Risk**

The Fund is actively managed and its performance may reflect the Adviser's or Sub-Adviser's ability to make decisions which are suited to achieving the Fund's investment objectives. Due to its active management, the Fund could under perform other mutual funds with similar investment objectives.

### **Portfolio Turnover Risk**

Frequent trading increases the Fund's portfolio turnover rate and may increase transaction costs, such as brokerage commissions, dealer mark-ups and taxes. Increased transaction costs could detract from the Fund's performance. Higher portfolio turnover also may result in higher taxes when Fund shares are held in a taxable account.

### **Private Placement Risk**

The Fund may invest in privately issued securities of domestic common and preferred stock, convertible debt securities, ADRs and REITs, including those which may be resold only in accordance with Rule 144A under the 1933 Act. Privately issued securities are restricted securities that are not publicly traded. Accordingly, the liquidity of the market for specific privately issued securities may vary. Delay or difficulty in selling such securities may result in a loss to the Fund. Privately issued securities that are determined by the Sub-Adviser to be "illiquid" are subject to the Fund's policy of not investing more than 15% of its net assets in illiquid securities.

### **Smaller and Medium Capitalization Company Risk**

If the Fund invests in smaller and medium capitalization companies, an investment in the Fund may have the following additional risks:

- analysts and other investors typically follow these companies less actively and therefore information about these companies is not always readily available;

## Principal Risks



- securities of many smaller companies are traded in the over-the-counter markets or on a regional securities exchange potentially making them thinly traded, less liquid and their prices more volatile than the prices of the securities of larger companies;
- changes in the value of smaller and medium capitalization company stocks may not mirror the fluctuation of the general market; and
- more limited product lines, markets and financial resources make these companies more susceptible to economic or market setbacks.

For these and other reasons, the prices of smaller and medium capitalization securities can fluctuate more significantly than the securities of larger companies. The smaller the company, the greater effect these risks may have on that company's operations and performance. Further, stocks of smaller-and medium capitalization companies could be more difficult during market downturns compared to larger, more widely traded companies, As a result, an investment in the Fund may exhibit a higher degree of volatility than the general domestic securities market.

### **Valuation Risk**

The prices provided by the Fund's pricing services or independent dealers or the fair value determinations made by the valuation committee of the Adviser may be different from the prices used by other mutual funds or from the prices at which securities are actually bought and sold. The prices of certain securities provided by pricing services may be subject to frequent and significant change, and will vary depending on the information that is available.

## Management



The Fund is a series of Brown Advisory Funds (the “Trust”). The business of the Trust and the Fund is managed under the oversight of the Board of Trustees (the “Board”). The Board meets periodically to review the Fund’s performance, monitor investment activities and practices, and discuss other matters affecting the Fund. Additional information regarding the Board, as well as the Trust’s executive officers, may be found in the Fund’s Statement of Additional Information (“SAI”).

### The Adviser

**Brown Advisory LLC.** The Fund’s Adviser is Brown Advisory LLC, 901 South Bond Street, Suite 400, Baltimore, Maryland 21231. The Adviser does business under the name of Brown Advisory. The Adviser is a wholly-owned subsidiary of Brown Advisory Management, LLC, a Maryland limited liability company. Brown Advisory Management, LLC is controlled by Brown Advisory Incorporated, a holding company incorporated under the laws of Maryland in 1998. The Adviser and its affiliates (“Brown Advisory”) have provided investment advisory and management services to clients for over 10 years. As of March 31, 2017, Brown Advisory had approximately \$56 billion in assets under management and advisement, including both discretionary and non-discretionary accounts.

The Adviser receives an advisory fee from the Fund at an annual rate of the Fund’s average daily net assets as indicated below the “Contractual Advisory Fee”. For the fiscal year ended June 30, 2016, the Adviser received, after applicable fee waivers, an advisory fee at an annual rate of the Fund’s average daily net assets as indicated below the “Net Advisory Fee Received”. The currently effective annual advisory fee for the Fund is as follows:

	Contractual Advisory Fee as of the fiscal year ended 6/30/16	Net Advisory Fee Received for fiscal year ended 6/30/16
Brown Advisory – Macquarie Asia New Stars Fund	1.25%	1.25%

A discussion summarizing the basis on which the Board approved the Investment Advisory Agreement between the Adviser and the Trust on behalf of the Fund, including the basis on which the Board approved the Investment Sub-Advisory Agreement between the Adviser and Macquarie Funds Management Hong Kong Limited on behalf of the Fund, is presented in the Fund’s Semi-Annual Report to Shareholders dated December 31, 2016.

The Adviser provides certain business management services to the Fund pursuant to a separate Business Management Agreement. Pursuant to the Business Management Agreement, the Adviser supervises all aspects of the management and operations of the Fund, which includes monitoring the Fund’s relationships with third-party service providers to the Fund and other related business management services. For these services, the Fund pays the Adviser a fee of 0.05% of its average daily net assets.

The Trust and Adviser have applied to the Securities and Exchange Commission (“SEC”) for an exemptive order (the “Exemptive Order”) that would permit the Brown Advisory Funds and the Adviser, subject to certain conditions and approval by the Board of Trustees, but without shareholder approval, to hire sub-advisers for the Brown Advisory Funds, change the terms of particular agreements with sub-advisers or continue the employment of existing sub-advisers after events that would otherwise cause an

automatic termination of a sub-advisory agreement (“Manager of Managers Arrangement”). Within 90 days of retaining a new sub-adviser, shareholders of any affected Fund will receive written notification of the change. However, as of the date of this Prospectus, the Trust and Adviser have not yet received the Exemptive Order.

## The Sub-Adviser

**Macquarie Funds Management Hong Kong Limited.** The sub-adviser for the Brown Advisory – Macquarie Asia New Stars Fund is Macquarie Funds Management Hong Kong Limited (“MFMHKL”), One International Finance Centre, 1 Harbour View Street, Central, Hong Kong. MFMHKL is a wholly-owned subsidiary of Macquarie Group Limited, a global financial services provider. As of September 30, 2016, Macquarie Group Limited managed approximately \$362 billion in assets.

Subject to the general oversight of the Board and the Adviser, MFMHKL is directly responsible for making the investment decisions for the Brown Advisory – Macquarie Asia New Stars Fund.

## Portfolio Managers

**Brown Advisory – Macquarie Asia New Stars Fund.** MFMHKL manages the Fund’s portfolio. Mr. John Bugg and Mr. Sam Le Cornu serve as the portfolio managers for the Fund and are responsible for day-to-day management of the Fund’s portfolio.

**John Bugg, CFA,** is Co-Head, Executive Director and Head of Research of the Asian Listed Equities team. As Head of Research, Mr. Bugg’s role includes supervision and development of the research process and methodology. He is also a Senior Portfolio Manager for the Asia New Stars Strategy, a role he assumed in May 2008. While his expertise is in the Materials, Energy, Infrastructure, and Utilities sectors, he conducts research and analysis within India, the Philippines, and Malaysia.

Mr. Bugg has 21 years of industry experience. He re-joined Macquarie in April 2005 as a Portfolio Manager for the Australian Small Companies Strategy. Between 2003 and 2005, Mr. Bugg was at RCM Global Investors, where he worked as a Senior Research Analyst covering the Media, Telecommunications, Tourism and Leisure, Infrastructure, and Utilities sectors in Australian equities. Mr. Bugg joined Macquarie in 1996 as a Resources Analyst. In 1999, he was promoted to Senior Industrial Analyst and Portfolio Manager. Prior to this, Bugg was with BHP as a mining engineer for two years and with the New South Wales Department of Energy as a policy analyst for one year.

Mr. Bugg holds a Bachelor of Engineering (Mining) degree, an MBA, and a Graduate Diploma in Applied Finance and Investments. Mr. Bugg is also a Responsible Officer and Director of Macquarie Funds Management Hong Kong Limited.

**Sam Le Cornu** is Co-Head, Executive Director and Head of Investments of the Asian Listed Equities team. As Head of Investments, Mr. Le Cornu’s role includes overseeing the Investments as the portfolio gatekeeper, mentoring the Portfolio Managers, and reviewing portfolio risk management for all the Asian Listed Equities strategies. He is also a Senior Portfolio Manager for the Asia New Stars Strategy. Mr. Le Cornu is a specialist in all sectors in Korea, Hong Kong, China, Thailand, and Indonesia.

Mr. Le Cornu has more than 16 years of industry experience. Prior to joining Macquarie in February 2008, Mr. Le Cornu worked with Paradice Investments, one of Australia’s largest privately owned asset managers, from March 2005 to November 2007, where he held the position of Portfolio Manager for the Australian Small Cap Fund. In that time, the Fund grew from AUD\$700 million to AUD\$2.5 billion. Previously, he was a Portfolio Manager, Analyst, and Partner at MMC Asset Management from 2000 to 2005.

Mr. Le Cornu holds a Bachelor of International Business Degree, a Bachelor of Commerce Degree, and a Graduate Diploma in Applied Finance and Investments, and he is an affiliate with the Securities Institute of Australia.

The Fund’s SAI provides additional information about each Portfolio Manager’s compensation, other accounts managed by each Portfolio Manager and each Portfolio Manager’s ownership of shares in the Fund.

### Other Service Providers

U.S. Bancorp Fund Services, LLC (the “Transfer Agent”) provides certain administration, fund accounting and transfer agency services to the Fund.

Quasar Distributors, LLC (the “Distributor”) serves as the Fund’s distributor and principal underwriter in connection with the offering of the Fund’s shares. The Distributor may enter into arrangements with banks, broker-dealers and other financial institutions through which investors may purchase or redeem Fund shares. The Distributor is an affiliate of the Transfer Agent.

U.S. Bank N.A. serves as custodian to the Fund. The Transfer Agent, the Distributor and U.S. Bank N.A. are affiliates.

### Fund Expenses

In addition to the advisory fees discussed above, the Fund incurs other expenses such as custodian, transfer agency, interest, Acquired Fund Fees and Expenses and other customary Fund expenses. (Acquired Fund Fees and Expenses are indirect fees that the Fund incurs from investing in the shares of other investment companies.) The Adviser has contractually agreed to waive its fees and/or reimburse certain expenses (exclusive of any front-end or contingent deferred sales loads, taxes, interest, brokerage commissions, Acquired Fund Fees and Expenses, expenses incurred in connection with any merger or reorganization and extraordinary expenses) in order to limit the Total Annual Fund Operating Expenses to the amounts shown below of each Class’s average daily net assets through October 31, 2017.

	Institutional Shares	Investor Shares	Advisor Shares
Brown Advisory – Macquarie Asia New Stars Fund	1.95%	2.10%	2.35%

The contractual waivers and expense reimbursements may be changed or eliminated at any time by the Board of Trustees, on behalf of the Fund, upon 60 days written notice to the Adviser. The contractual waivers and expense reimbursements may not be terminated by the Adviser without the consent of the Board of Trustees. The Adviser may recoup any waived amount from the Fund pursuant to this agreement if such reimbursement does not cause the Fund to exceed existing expense limitations and the reimbursement is made within three years after the year in which the Adviser incurred the expense.

## Choosing a Share Class

### Class Comparison

The Fund offers three classes of shares, *Institutional Shares*, *Investor Shares* and *Advisor Shares* (not all of the share classes of the Fund are currently being offered for sale). Each class of shares is designed for specific investors.

The following is a summary of the differences between the three classes of the Fund:

	Institutional Shares	Investor Shares	Advisor Shares
<b>Eligible Shareholder</b>	<ul style="list-style-type: none"> <li>(i) Investors who meet the investment minimum for Institutional Shares;</li> <li>(ii) Certain institutions (financial institutions, corporations, trusts, endowments, foundations, government entities, estates and religious and charitable organizations investing on their own behalf);</li> <li>(iii) Certain fund of funds;</li> <li>(iv) Certain retirement plans whose sponsors and/or administrators have entered into arrangements with the Fund’s distributor;</li> <li>(v) Certain investors investing through omnibus accounts held by financial intermediaries that charge transaction fees and have entered into arrangements with the Fund’s distributor to offer Institutional Shares;</li> <li>(vi) Current and former trustees of the Fund;</li> <li>(vii) Certain other investors that have been approved by the Fund; and</li> <li>(viii) Retirement plans that are qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (“IRC”) and tax-</li> </ul>	<ul style="list-style-type: none"> <li>(i) Investors who meet the investment minimum for Investor Shares;</li> <li>(ii) Certain investors investing through omnibus accounts held by financial intermediaries that do not charge transaction fees and have entered into arrangements with the Fund’s distributor to offer Investor Shares; and</li> <li>(iii) Investors who invest unsolicited directly by application through the Transfer Agent.</li> </ul>	<ul style="list-style-type: none"> <li>(i) Investors who meet the investment minimum for Advisor Shares;</li> <li>(ii) Certain investors investing through omnibus accounts held by financial intermediaries that charge transaction fees and have entered into arrangements with the Fund’s distributor to offer Advisor Shares; and</li> <li>(iii) Certain retirement plans whose sponsors and/or administrators have entered into arrangements with the Fund’s distributor.</li> </ul>

	Institutional Shares	Investor Shares	Advisor Shares
	exempt under Section 501(a) of the IRC, and plans operating consistent with Section 403(a), 403(b), 408, 408A, 457 or 223(d) of the IRC.  Notwithstanding the above, the Fund reserves the right to broaden or limit the eligible shareholders.		
<b>Initial Sales Charge</b>	None	None	None
<b>Contingent Deferred Sales Charge</b>	None	None	None
<b>Redemption/Exchange Fee</b>	1.00% if shares are redeemed 14 days or less from purchase	1.00% if shares are redeemed 14 days or less from purchase	1.00% if shares are redeemed 14 days or less from purchase
<b>Distribution/Service (12b-1) Fees</b>	None	None	0.25% of the class' average daily net assets for the Fund
<b>Shareholder Service Fees</b>	None	0.15% of the Fund's class' average daily net assets.	0.15% of the Fund's class' average daily net assets.
<b>Annual Expenses</b>	Lowest expense ratio because there is no Rule 12b-1 distribution/service fee or shareholder service fees.	Higher fees than Institutional Shares because of shareholder service fees and lower fees than Advisor Shares because no Rule 12b-1 distribution/service fee.	Highest expense ratio because of Rule 12b-1 distribution/service fee and shareholder service fees.
<b>Initial Minimum Investment</b>	\$1,000,000	\$100	\$100

### Rule 12b-1 Distribution Fees

The Trust has adopted a Rule 12b-1 distribution plan under which the Fund is authorized to pay to the Distributor or such other entities as approved by the Board, as compensation for the distribution-related and/or shareholder services provided by such entities, an aggregate fee equal to the percentage shown below of the average daily net assets of Advisor Shares, as applicable. The Distributor may pay any or all amounts received under the Rule 12b-1 Plan to other persons, including the Adviser, for any distribution service or activity designed to retain Fund shareholders.

	Advisor Shares
Brown Advisory – Macquarie Asia New Stars Fund	0.25%

Because the Advisor Shares of the Fund pay distribution and shareholder service fees on an ongoing basis, your investment cost over time may be higher than paying other types of sales charges.

### Shareholder Service Fees

The Trust has adopted a Shareholder Servicing Plan under which the Fund may pay a fee of up to 0.15% for shareholder services provided to the Fund's Investor Shares and Advisor Shares by financial institutions, including the Adviser. The types of services for which entities may be compensated under the terms of the Shareholder Servicing Plan include various types of shareholder administrative support services such as assisting shareholders with their fund accounts and records, their fund purchase and redemption orders and other similar types of non-distribution related services involving the administrative servicing of shareholder accounts. These shareholder servicing fees may be increased without shareholder approval.

### Additional Payments to Dealers

In addition to dealer reallowances and payments made by the Fund for distribution and shareholder servicing, the Adviser or its affiliates may make additional payments ("Additional Payments") to certain selling or shareholder servicing agents for the Fund, which includes broker-dealers. The Adviser has entered into an arrangement with its affiliated broker/dealer, Brown Advisory Securities, LLC, through which investors may purchase or redeem Fund shares. Accordingly, the Adviser may, out of its own resources, compensate Brown Advisory Securities, LLC for the sales efforts of Brown Advisory Securities, LLC. These Additional Payments are made in connection with the sale and distribution of shares of the Fund or for services to the Fund and its shareholders. These Additional Payments, which may be significant, are paid by the Adviser or its affiliates, out of their revenues, which generally come directly or indirectly from fees paid by the entire Fund complex. Such payments by such parties may create an incentive for these financial institutions such as Brown Advisory Securities, LLC to recommend that you purchase Fund shares.

In return for these Additional Payments, the Adviser expects to receive certain marketing or servicing advantages that are not generally available to mutual funds that do not make such payments. Such advantages are expected to include, without limitation, placement of the Fund on a list of mutual funds offered as investment options to the selling agent's clients (sometimes referred to as "Shelf Space"); access to the selling agent's registered representatives; and/or ability to assist in training and educating the selling agent's registered representatives.

Certain selling or shareholder servicing agents receive these Additional Payments to supplement amounts payable by the Fund under the shareholder servicing plans. In exchange, these agents provide services including, but not limited to, establishing and maintaining accounts and records; answering inquiries regarding purchases, exchanges and redemptions; processing and verifying purchase, redemption and exchange transactions; furnishing account statements and confirmations of transactions; processing and mailing monthly statements, prospectuses, shareholder reports and other SEC-required communications; and providing the types of services that might typically be provided by the Fund's Transfer Agent (e.g., the maintenance of omnibus or omnibus-like accounts, the use of the National Securities Clearing Corporation for the transmission of transaction information and the transmission of shareholder mailings).

The Additional Payments may create potential conflicts of interests between an investor and a selling agent who is recommending a particular mutual fund over other mutual funds. Before investing, you should consult with your financial consultant and review carefully any disclosure by the selling agent as to what monies they receive from mutual fund advisers and distributors, as well as how your financial consultant is compensated.



## Choosing a Share Class



More information on the FINRA member firms that have received the Additional Payments described in this section is available in the Statement of Additional Information, which is on file with the SEC and is also available on the Fund's website [www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com).

## Your Account



### How to Contact the Fund

***Write to us at:***

Brown Advisory Funds  
c/o U.S. Bancorp Fund Services, LLC  
P.O. Box 701  
Milwaukee, WI 53201-0701

***Overnight address:***

Brown Advisory Funds  
c/o U.S. Bancorp Fund Services, LLC  
615 E. Michigan Street, Third Floor  
Milwaukee, WI 53202-5207

***Telephone us at:***

(800) 540-6807 (toll free)

***Visit our Web site at:***

[www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com)

### General Information

You may purchase shares of a Fund class or sell (redeem) such shares on each weekday that the New York Stock Exchange (“NYSE”) is open. Under unusual circumstances, a Fund class may accept and process shareholder orders when the NYSE is closed if deemed appropriate.

You may purchase shares of a Fund class or sell (redeem) such shares at the NAV of a share of that Fund class next calculated (or minus a redemption/exchange fee in the case of redemptions or exchanges) after the Transfer Agent receives your request in proper form (as described in the section entitled “Your Account – How to Buy Shares” in this Prospectus).

### When and How NAV is Determined

The Fund’s share price is known as its NAV. The NAV is determined by dividing the value of the Fund’s securities, cash and other assets, minus all liabilities, by the number of shares outstanding (assets – liabilities / number of shares = NAV). The NAV takes into account the expenses and fees of the Fund, including management, administration and other fees, which are accrued daily. Due to the fact that different expenses are charged to the Institutional Class, Investor Shares and Advisor Class shares of the Fund, the NAV of the three classes of the Fund may vary. The Fund’s share price is calculated as of the Fund’s close which is the close of regular trading (generally 4:00 p.m., Eastern Time) on each day the NYSE is open for business.

All shareholder transaction orders received in proper form (as described below under “How to Purchase Shares”) by the Transfer Agent, or a Financial Intermediary by 4:00 p.m., Eastern Time will be processed at that day’s NAV. Transaction orders received after 4:00 p.m., Eastern Time will be priced at the next business day’s NAV. The Fund’s NAV, however, may be calculated earlier if trading on the NYSE is restricted or as permitted by the SEC. The Fund does not determine the NAV of its shares on any day when the NYSE is not open for trading, such as weekends and certain national holidays as disclosed in the SAI (even if there is sufficient trading in its portfolio securities on such days to materially affect the NAV per share). The NYSE also may be closed on national days of mourning or due to natural disaster or other extraordinary events or emergency. Fair value determinations may be made as described below under procedures as adopted by the Fund’s Board of Trustees. If the NYSE is closed due to inclement weather, technology problems or any other reason on a day it would normally be open for business, or the NYSE has an unscheduled early closing on a day it has opened for business, the Fund reserves the right to treat such day as a business day and accept purchase and redemption orders until, and calculate the Fund’s NAV as of, the normally scheduled close of regular trading on the NYSE for that day, so long as the Adviser believes there remains an adequate market to meet purchase and redemption orders for that day. On any business day when the Securities Industry and Financial Markets Association recommends that

the bond markets close trading early, the Fund reserves the right to close at such earlier closing time, and therefore accept purchase and redemption orders until, and calculate the Fund's NAV as of, such earlier closing time.

**Fair Value Pricing.** Occasionally, reliable market quotations are not readily available or there may be events affecting the value of foreign securities or other securities held by the Fund that occur when regular trading on foreign or other exchanges is closed, but before trading on the NYSE is closed. Fair value determinations are then made in good faith in accordance with procedures adopted by the Board. Under the procedures adopted by the Board, the Board may delegate fair value determinations to the Adviser or third-party pricing services, subject to the supervision of the Adviser and the Board. Generally, the fair value of a portfolio security or other asset shall be the amount that the owner of the security or asset might reasonably expect to receive upon its current sale. With respect to any portion of the Fund's assets that are invested in one or more open-end management investment companies that are registered under the Investment Company Act of 1940, the Fund's net asset value is calculated based upon the net asset values of such registered open-end management investment companies, and the prospectuses for such companies explain the circumstances under which those companies will use fair value pricing and the effects of using fair value pricing.

Because the Fund may invest in securities that are traded primarily in foreign markets, a significant gap in time can exist between the time of a particular security's last trade on a foreign market, and the time at which the Fund calculates its NAV. If an event that could materially affect the value of the Fund's securities has occurred between the time the securities were last traded and the time that the Fund's calculate their NAV, the closing price of either of the Fund's securities may no longer reflect their market value at the time the Fund calculates its NAV. In such a case, the Fund may use fair value methods to value such securities.

The Fund may invest in the securities of smaller and/or medium companies. The Fund's investments in securities of smaller companies or private placements are more likely to require a fair value determination because they are more thinly traded and less liquid than securities of larger companies. Similarly, the Fund may invest in foreign securities and are more likely to require a fair value determination because, among other things, most foreign securities markets close before the Fund values its securities. The earlier close of those foreign securities markets gives rise to the possibility that significant events may have occurred in the interim.

Attempts to determine the fair value of securities introduce an element of subjectivity to the pricing of securities. As a result, the price of a security determined through fair valuation techniques may differ from the price quoted or published by other sources and may not accurately reflect the market value of the security when trading resumes. If a reliable market quotation becomes available for a security formerly valued through fair valuation techniques, the Fund would compare the new market quotation to the fair value price to evaluate the effectiveness of its fair valuation determination. If any significant discrepancies are found, the Fund may adjust its fair valuation procedures.

## Types of Accounts

Type of Account	Requirement
<p><b><i>Individual, Sole Proprietorship and Joint Accounts</i></b>                      Individual accounts and sole proprietorship accounts are owned by one person. Joint accounts have two or more owners (tenants).</p>	<ul style="list-style-type: none"> <li>• Instructions must be signed by all persons required to sign exactly as their names appear on the account</li> <li>• Provide a power of attorney or similar document for each person that is authorized to open or transact business for the account if not a named account owner.</li> </ul>
<p><b><i>Gifts or Transfers to a Minor (UGMA, UTMA)</i></b>                      These custodial accounts provide a way to give money to a child and obtain tax benefits.</p>	<ul style="list-style-type: none"> <li>• Depending on state laws, you can set up a custodial account under the UGMA or the UTMA</li> <li>• The custodian must sign instructions in a manner indicating custodial capacity.</li> </ul>
<p><b><i>Business Entities</i></b></p>	<ul style="list-style-type: none"> <li>• Provide certified articles of incorporation, a government-issued business license or certificate, partnership agreement or similar document evidencing the identity and existence of the business entity</li> <li>• Submit a secretary’s (or similar) certificate listing the person(s) authorized to open or transact business for the account.</li> </ul>
<p><b><i>Trusts (including corporate pension plans)</i></b></p>	<ul style="list-style-type: none"> <li>• The trust must be established before an account can be opened</li> <li>• You must supply documentation to substantiate existence of your organization (i.e. Articles of Incorporation/Formation/Organization, Trust Agreements, Partnership Agreement or other official documents).</li> <li>• Remember to include a separate sheet detailing the full name, date of birth, social security number and permanent street address for all authorized individuals.</li> </ul>

## Retirement Accounts

You may invest in Fund shares through an IRA account sponsored by the Adviser, including traditional and Roth IRAs. The Fund may also be appropriate for other retirement plans. Before investing in any IRA or other retirement plan, you should consult your tax adviser. Whenever making an investment in an IRA, be sure to indicate the year in which the contribution is made.

## Minimum Investments

To purchase shares of the Fund, you must make at least the minimum initial investment (or subsequent investment) as shown in the table below. The minimum investment requirements are waived for retirement plans that are qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (“IRC”) and tax-exempt under Section 501(a) of the IRC, and plans operating consistent with Section 403(a), 403(b), 408, 408A, 457 or 223(d) of the IRC.



Type of Account	Minimum Initial Investment	Minimum Additional Investment
<b>Institutional Shares</b>		
– Standard Accounts	\$1,000,000	\$100
<b>Investor Shares</b>		
– Standard Accounts	\$100	\$100
– Traditional and Roth IRA Accounts	\$100	\$100
– Accounts with Systematic Investment Plans	\$100	\$100
<b>Advisor Shares</b>		
– Standard Accounts	\$100	\$100
– Traditional and Roth IRA Accounts	\$100	N/A
– Accounts with Systematic Investment Plans	\$100	\$100
– Qualified Retirement Plans	N/A	N/A

## How to Buy Shares

This section explains how you can purchase shares of the Brown Advisory Funds. If you're opening a new account, an Account Application is available online at [www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com) or by calling 800-540-6807 (toll free) or 414-203-9064. For Fund shares held through brokerage and other types of accounts, please consult your Financial Intermediary.

Buying Shares	Opening an Account	Adding to an Account
Through a Financial Intermediary By Mail (with Check)	Contact your Financial Intermediary <ul style="list-style-type: none"> <li>• Mail your completed application (along with other required documents as described in the application) and a check to: Brown Advisory Funds c/o U.S. Bancorp Fund Services, LLC P.O. Box 701 Milwaukee, WI 53201-0701</li> </ul>	Contact your Financial Intermediary <ul style="list-style-type: none"> <li>• Write your account number on your check</li> <li>• Send your check with (a) a completed investment slip from a prior statement or confirmation or (b) letter of instruction to: Brown Advisory Funds c/o U.S. Bancorp Fund Services, LLC P.O. Box 701 Milwaukee, WI 53201-0701</li> </ul>
By Wire	<ul style="list-style-type: none"> <li>• Submit your completed application (and other required documents as described in the application). An account will be established for you and you will be contacted with the account number.</li> <li>• Instruct your financial institution to wire your money using the instructions in the section entitled "Your Account – How to Buy Shares – Purchase By Wire" in this Prospectus.</li> </ul>	<ul style="list-style-type: none"> <li>• Call to notify us of your incoming wire</li> <li>• Instruct your financial institution to wire your money using the instructions in the section entitled "Your Account – How to Buy Shares – Purchase By Wire" in this Prospectus.</li> </ul>
By Telephone	Not accepted for initial purchases	<ul style="list-style-type: none"> <li>• If you have telephone purchase privileges on the account, you may purchase additional shares in the amount of \$100 or more using the bank account on record by calling 800-540-6807 (toll free) or 414-203-9064.</li> </ul>
By Internet (must have a United States bank account)	<ul style="list-style-type: none"> <li>• Log onto the Fund's website at <a href="http://www.brownadvisoryfunds.com">www.brownadvisoryfunds.com</a></li> <li>• Click on "Open an Account Today"</li> <li>• Be prepared to have the required information to open your new account.</li> <li>• Accept the terms of the online Account Application.</li> <li>• Complete the online Account Application.</li> <li>• The Fund will electronically deduct your purchase proceeds from the financial institution you have identified on your Account Application.</li> <li>• Note – you may be responsible for any</li> </ul>	<ul style="list-style-type: none"> <li>• Log onto the Fund's website at <a href="http://www.brownadvisoryfunds.com">www.brownadvisoryfunds.com</a></li> <li>• Click on "Shareholder Access"</li> <li>• Provide your User ID and password.</li> <li>• Select the Transaction/Purchase menu option.</li> <li>• Follow the instructions provided.</li> </ul>

Buying Shares	Opening an Account	Adding to an Account
	<p>unauthorized Internet order as long as the Transfer Agent has taken reasonable measures to verify that the order is genuine.</p>	
<p>By Automatic Investment Plan (must have a United States bank account)</p>	<p>Not accepted for initial purchases</p>	<ul style="list-style-type: none"> <li>• Complete the Automatic Investment Plan section of the application or submit a letter of instruction if your account was opened without this being done.</li> <li>• Attach a voided check to your application or letter of instruction.</li> <li>• Mail the completed application or letter and voided check.</li> <li>• Your purchase will be electronically debited from the bank account on record as directed in your request.</li> </ul>

### General Notes for Buying Shares

Unless purchased through a Financial Intermediary, all investments must be made by check, ACH, or wire. All checks must be payable in U.S. dollars and drawn on U.S. financial institutions. In the absence of the granting of an exception consistent with the Trust’s anti-money laundering procedures, the Fund does not accept purchases made by credit card check, starter check, third-party check, cash or cash equivalents (for instance, you may not pay by money order or traveler’s check). The Fund is unable to accept post-dated checks or any conditional order or payment.

- **Checks** for all accounts, including individual, sole proprietorship, joint, Uniform Gift to Minors Act (“UGMA”) or Uniform Transfer to Minors Act (“UTMA”) accounts, the check must be made payable to “Brown Advisory Funds.” A \$25 charge may be imposed on any returned payment; you will also be responsible for any losses suffered by the Fund as a result.
- **ACH** (must have a United States bank account) refers to the “Automated Clearing House” System maintained by the Federal Reserve Bank, which allows banks to process checks, transfer funds and perform other tasks. Your financial institution may charge you a fee for this service. A \$25 charge may be imposed on any rejected transfers; you will also be responsible for any losses suffered by the Fund as a result.
- **Wires** instruct your financial institution with whom you have an account to make a Federal Funds wire payment to us. Your financial institution may charge you a fee for this service.

**Purchase through Financial Intermediaries.** You may buy and sell shares of the Fund through certain financial intermediaries and their agents that have made arrangements with the Fund and are authorized to buy and sell shares of the Fund (collectively, “Financial Intermediaries”). Your order will be priced at the Fund’s NAV next computed after it is received by a Financial Intermediary, or if applicable, a Financial Intermediary’s designee. A Financial Intermediary may hold your shares in an omnibus account in the Financial Intermediary’s name and the Financial Intermediary may maintain your individual ownership records. The Fund may pay the Financial Intermediary for maintaining individual ownership records as well as providing other shareholder services. Financial Intermediaries may charge fees for the services they provide to you in connection with processing your transaction order or maintaining your account

with them. Financial Intermediaries are responsible for placing your order correctly and promptly with the Fund, forwarding payment promptly, as well as ensuring that you receive copies of the Fund's Prospectus. If you transmit your order with these Financial Intermediaries before the close of regular trading (generally 4:00 p.m., Eastern Time) on a day that the NYSE is open for business, your order will be priced at the Fund's NAV next computed after it is received by the Financial Intermediary. Investors should check with their Financial Intermediary to determine if it is subject to these arrangements.

**Purchase by Mail.** Follow the instructions outlined in the table above. The Fund does not consider the U.S. Postal Service or other independent delivery services to be their agents. Therefore, deposits in the mail or with such services, or receipt at the Transfer Agent's post office box of purchase orders or redemption requests, do not constitute receipt by the Transfer Agent. Receipt will be deemed to occur when the Transfer Agent physically picks up such mailings.

**Purchase by Wire.** If you are making your first investment in the Fund, before you wire funds, please contact the Transfer Agent by phone to make arrangements with a telephone service representative to submit your completed Account Application via mail, overnight delivery or facsimile. Upon receipt of your completed Account Application, an account will be established for you and a service representative will contact you within 24 hours to provide you with an account number and wiring instructions. Once your account has been established, you may instruct your bank to initiate the wire using the instructions you were given.

For either initial or subsequent investments, prior to sending the wire, please call the Transfer Agent at 1-800-540-6807 (toll free) or 414-203-9064 to advise the Transfer Agent of your wire to ensure proper credit upon receipt. Your bank must include the name of the Fund, your name and account number so that your wire can be correctly applied.

**Instruct your bank to send the wire to:**

U.S. Bank, N.A.  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202  
ABA #075000022  
Credit: U.S. Bancorp Fund Services, LLC  
Account #112-952-137  
Further Credit: Brown Advisory Funds, [Insert Fund Name and Class]  
(Shareholder Name, Shareholder Account #)

Your bank may impose a fee for investments by wire. Wired funds must be received prior to 4:00 p.m., Eastern Time, to be eligible for same day pricing. The Fund and the Transfer Agent are not responsible for the consequences of delays resulting from the banking or Federal Reserve wire system or from incomplete wiring instructions. If you have questions about how to invest by wire, you may call the Fund at 1-800-540-6807 (toll free) or 414-203-9064.

**Purchase by Telephone.** If your account has been open for at least 15 days, and you did not decline telephone privileges on your Account Application, you may purchase additional shares in the amount of \$100 or more from your bank account upon request by telephoning the Transfer Agent toll free at 1-800-540-6807 (toll free) or 414-203-9064. You may not make your initial purchase of the Fund's shares by telephone. Telephone orders will be accepted via electronic funds transfer from your pre-designated bank account through the Automated Clearing House ("ACH") network. You must have



banking information established on your account prior to making a purchase. Only bank accounts held at domestic institutions that are ACH members may be used for telephone transactions. If your order is received prior to 4:00 p.m. Eastern Time, shares will be purchased at the price next calculated. For security reasons, requests by telephone may be recorded.

**Purchase by Internet (must have a United States bank account).** You will automatically receive online privileges when you open your account, allowing you to obtain or view your account information, and conduct a number of transactions online, including: buy or sell shares of the Fund; use electronic funds transfer to buy or sell shares of the Fund.

To view your account information or request online transactions, you will first need to register for these services at the shareholder section of our website at [www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com). You will be asked to accept the terms of an online agreement(s) and establish a password for online services. Using our shareholder website means you are consenting to sending and receiving personal financial information over the Internet, so you should be sure you are comfortable with the associated risks.

As long as we follow reasonable security procedures and act on instructions we reasonably believe are genuine, we will not be responsible for any losses that may occur from unauthorized requests. We will request passwords or other information, and may also record calls. To help safeguard your account, keep your password confidential and verify the accuracy of your confirmation statements immediately after you receive them. Contact us immediately if you believe someone has obtained unauthorized access to your account or password. For transactions done over the Internet, we recommend the use of an Internet browser with 128-bit encryption. Certain methods of contacting us (such as by Internet) may be unavailable or delayed during periods of unusual market activity.

You can choose not to register for online privileges. If you have online privileges on your account and want to discontinue them, please contact us for instructions. You may reinstate these privileges at any time in writing.

**Automatic Investment Plan (must have a United States bank account).** For your convenience, the Fund offers an Automatic Investment Plan (“AIP”). Under the AIP, after you make your initial investment, you may authorize the Fund to withdraw automatically from your personal checking or savings account an amount that you wish to invest, which must be at least \$100 on a monthly or quarterly basis. If you wish to enroll in the AIP, complete the “Automatic Investment Plan” section in the Account Application or call the Transfer Agent at 1-800-540-6807 (toll free) or 414-203-9064 for additional information. In order to participate in the AIP, your bank or financial institution must be a member of the ACH network. The Fund may terminate or modify this privilege at any time. You may terminate your participation in the AIP at any time by notifying the Transfer Agent at least five days prior to the effective date. A fee (\$25) will be charged if your bank does not honor the AIP draft for any reason.

The AIP is a method of using dollar cost averaging as an investment strategy that involves investing a fixed amount of money at regular time intervals. However, a program of regular investment cannot ensure a profit or protect against a loss as a result of declining markets. By continually investing the same amount, you will be purchasing more shares when the price is low and fewer shares when the price is high. Please call 1-800-540-6807 (toll free) or 414-203-9064 for additional information regarding the Fund’s AIP.

## How to Sell Shares

The Fund processes redemption orders received in good order, promptly. Under normal circumstances, a Fund class will send redemption proceeds to you within 5 business days. If a Fund class has not yet collected payment for the shares you are selling, it may delay sending redemption proceeds until it receives payment, which may be up to 15 calendar days.

### Selling Shares

Through a Financial Intermediary	<ul style="list-style-type: none"> <li>• Contact your Financial Intermediary</li> </ul>
By Mail	<ul style="list-style-type: none"> <li>• Prepare a written request including:                             <ul style="list-style-type: none"> <li>• Your name(s) and signature(s)</li> <li>• Your account number</li> <li>• The Fund name and class</li> <li>• The dollar amount or number of shares you want to sell</li> <li>• How and where to send the redemption proceeds</li> <li>• Obtain a signature guarantee (if required) (See the section entitled “Signature Guarantee Requirements below”)</li> <li>• Obtain other documentation (if required)</li> <li>• Mail us your request and documentation.</li> </ul> </li> </ul>
By Wire	<ul style="list-style-type: none"> <li>• Wire redemptions are only available if you did not decline telephone and Internet options on your Account Application and you provided a voided check</li> <li>• Call us with your request (unless you declined telephone and Internet options on your Account Application) (See the section entitled “By Telephone”) or</li> <li>• Mail us your request (See the section entitled “By Mail”).</li> </ul>
By Telephone	<ul style="list-style-type: none"> <li>• Call us with your request (unless you declined telephone and Internet options on your Account Application)</li> <li>• Provide the following information:                             <ul style="list-style-type: none"> <li>• Your account number</li> <li>• Exact name(s) in which the account is registered</li> <li>• Additional form of identification</li> <li>• Redemption proceeds will be:                                     <ul style="list-style-type: none"> <li>• Mailed to you or</li> <li>• Electronically credited to your account at the financial institution identified on your Account Application.</li> </ul> </li> </ul> </li> </ul>
By Internet	<ul style="list-style-type: none"> <li>• Log onto the Fund’s website at <a href="http://www.brownadvisoryfunds.com">www.brownadvisoryfunds.com</a></li> <li>• Click on “Shareholder Access”</li> <li>• Provide your User ID and password.</li> <li>• Select the Transaction/Redemption menu option.</li> <li>• Follow the instructions provided.</li> <li>• Note – you may be responsible for any unauthorized Internet order as long as the Transfer Agent has taken reasonable measures to verify that the order is genuine.</li> </ul>
Systematically	<ul style="list-style-type: none"> <li>• Complete the systematic withdrawal program section of the application</li> <li>• Attach a voided check to your application</li> <li>• Mail us your completed application</li> <li>• Redemption proceeds will be electronically credited to your account at the financial institution identified on your Account Application or sent by check to your address of record.</li> </ul>

### General Notes for Selling Shares

In general, orders to sell or “redeem” shares may be placed either directly with the Fund, the Transfer Agent or with your Financial Intermediary. You may redeem part or all of the Fund’s shares at the next determined NAV after the Fund receives your order. You should request your redemption prior to the close of the applicable Fund, generally 4:00 p.m., Eastern Time, to obtain that day’s closing NAV. Redemption requests received after the close of the NYSE will be treated as though received on the next business day.

**Through a Financial Intermediary.** You may redeem Fund shares through your Financial Intermediary. Redemptions made through a Financial Intermediary may be subject to procedures established by that institution. Your Financial Intermediary is responsible for sending your order to the Fund and for crediting your account with the proceeds. For redemption through Financial Intermediaries, orders will be processed at the NAV per share next effective after receipt of the order by the Financial Intermediary. Please keep in mind that your Financial Intermediary may charge additional fees for its services. Investors should check with their Financial Intermediary to determine if it is subject to these arrangements.

**By Mail.** You may redeem Fund shares by simply sending a written request to the Transfer Agent. Please provide the name of the Fund, account number and state the number of shares or dollar amount you would like redeemed. The letter should be signed by all shareholders whose names appear on the account registration. Redemption requests will not become effective until all documents have been received in good form by the Fund. Additional documents are required for certain types of shareholders, such as corporations, partnerships, executors, trustees, administrators, or guardians (*i.e.*, corporate resolutions, or trust documents indicating proper authorization). Shareholders should contact the Fund for further information concerning documentation required for redemption of Fund shares.

Shareholders who have an IRA or other retirement plan must indicate on their written redemption request whether or not to withhold federal income tax. Redemption requests failing to indicate an election not to have tax withheld will generally be subject to a 10% withholding tax.

Shares held in IRA accounts or other retirement plan accounts may be redeemed by telephone at 1-800-540-6807. Investors will be asked whether or not to withhold taxes from any distribution.

**Telephone or Wire Redemption.** You may redeem Fund shares by telephone unless you declined telephone privileges on your Account Application. You may also request telephone privileges after your account is opened by calling the Transfer Agent at 1-800-540-6807 (toll free) or 414-203-9064 for additional information. A signature guarantee or a signature verification from a Signature Validation Program member or other acceptable form of authentication from a financial institution source may be required of shareholders in order to qualify for or to change telephone privileges on an existing account. During periods of high market activity, you may encounter higher than usual wait times. Please allow sufficient time to ensure that you will be able to complete your telephone transaction prior to market close. If you are unable to contact the Transfer Agent by telephone, you may also mail the requests to the Fund at the address listed under “Contacting the Fund.” Once a telephone transaction has been placed, it cannot be canceled or modified.

You may redeem Fund shares by calling the Transfer Agent at 1-800-540-6807 (toll free) or 414-203-9064 prior to the close of the applicable Fund, generally 4:00 p.m., Eastern Time. Redemption proceeds will be sent on the next business day to the mailing address that appears on the Fund’s records. Per your

request, redemption proceeds may be wired or may be sent by electronic funds transfer via the ACH network to your pre-designated bank account. The Transfer Agent will charge a \$15 wire fee from your redemption proceeds from any complete share redemption. For partial redemptions, or share specific redemptions, any wire fee will be deducted from your remaining account balance. You will not incur any charge when proceeds are sent via the ACH network; however, most ACH transfers require two days for the bank account to receive credit. Telephone redemptions cannot be made if you notify the Transfer Agent of a change of address within 30 days before the redemption request.

Prior to executing instructions received to redeem shares by telephone, the Fund will use reasonable procedures to confirm that the telephone instructions are genuine. If an account has more than one owner or authorized person, the Fund will accept telephone instructions from any one owner or authorized person. The telephone call may be recorded and the caller may be asked to verify certain personal identification information. If the Fund or its agents follow these procedures, they cannot be held liable for any loss, expense, or cost arising out of any telephone redemption request that is reasonably believed to be genuine. This includes any fraudulent or unauthorized request. The Fund may change, modify or terminate these privileges at any time upon at least a 60-day notice to shareholders.

**Systematic Withdrawal Program (must have a United States bank account).** The Fund offers a Systematic Withdrawal Program (“SWP”) whereby shareholders or their representatives may request a redemption in a predetermined amount each month, calendar quarter or annually. Proceeds can be sent via check to the address on the account or proceeds can be sent by electronic funds transfer via the ACH network to a designated bank account. To start this program, your account must have Fund shares with a value of at least \$2,500, and the minimum amount that may be withdrawn each month, quarter or annually is \$50. This program may be terminated or modified by a shareholder or the Fund at any time without charge or penalty.

A withdrawal under the SWP involves a redemption of Fund shares, and may result in a gain or loss for Federal income tax purposes. In addition, if the amount withdrawn exceeds the dividends credited to your account, the account ultimately may be depleted. To establish the SWP, complete the SWP section of the Account Application. Please call 1-800-540-6807 (toll free) or 414-203-9064 for additional information regarding the SWP.

## Exchange Privileges

You may exchange your Fund shares for the same class of shares of certain other Brown Advisory Funds. The Brown Advisory Growth Equity Fund, Brown Advisory Flexible Equity Fund, Brown Advisory Equity Income Fund, Brown Advisory Sustainable Growth Fund, Brown Advisory Small-Cap Growth Fund, Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Global Leaders Fund, Brown Advisory Intermediate Income Fund, Brown Advisory Total Return Fund, Brown Advisory Strategic Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax Exempt Bond Fund, Brown Advisory Mortgage Securities Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory – WMC Japan Alpha Opportunities Fund, and Brown Advisory – Somerset Emerging Markets Fund are other mutual funds advised by the Adviser offered in a separate prospectus. To obtain the prospectus for the afore-mentioned list of funds and the necessary exchange authorization forms, call the Transfer Agent at 1-800-540-6807 (toll free) or 414-203-9064. Please read the other prospectus carefully to determine eligibility to exchange into those funds. Not all Funds available for exchange may be available for purchase in your state. Because exchanges are a sale and purchase of shares, they may have tax consequences.

If you exchange Fund shares 14 days or less from the date of purchase, you will be charged a redemption fee of 1.00% of the current NAV of shares redeemed or exchanged, subject to limited exceptions. Please see the section entitled “Your Account – Account and Transaction Policies – Redemption/Exchange Fee” for additional information.

**Requirements.** You may make exchanges only between identically registered accounts (name(s), address, and taxpayer ID number). There is currently no limit on exchanges, but the Fund reserves the right to limit exchanges (see the section entitled “Tools to Combat Frequent Transaction”). You may exchange your shares by mail or telephone, unless you declined telephone privileges on your Account Application. You may be responsible for any unauthorized telephone order as long as the transfer agent takes reasonable measures to verify that the order is genuine.

Exchanging Shares	
Through a Financial Intermediary	<ul style="list-style-type: none"> <li>• Contact your Financial Intermediary</li> </ul>
By Mail	<ul style="list-style-type: none"> <li>• Prepare a written request including:                             <ul style="list-style-type: none"> <li>• Your name(s) and signature(s)</li> <li>• Your account number</li> <li>• The names of the fund (and class) you are exchanging</li> <li>• The dollar amount or number of shares you want to sell (and exchange)</li> </ul> </li> <li>• Open a new account and complete an Account Application if you are requesting different shareholder privileges</li> <li>• Mail us your request and documentation.</li> </ul>
By Telephone	<ul style="list-style-type: none"> <li>• Call us with your request (unless you declined telephone and Internet options on your Account Application)</li> <li>• Provide the following information:                             <ul style="list-style-type: none"> <li>• Your account number</li> <li>• Exact name(s) in which account is registered</li> <li>• Additional form of identification.</li> </ul> </li> </ul>

## Account and Transaction Policies

**Redemption/Exchange Fee.** The sale of Fund shares is subject to a redemption fee of 1.00% of the current NAV of shares redeemed or exchanged 14 days or less from the date of purchase. The Fund uses the “first in first out” (“FIFO”) method to determine the holding period; this means that if you purchase shares on different days, the shares you held longest will be redeemed first for purposes of determining whether the short-term trading fee applies. The redemption/exchange fee is charged for the benefit of its long-term shareholders and is deducted from your proceeds and retained by the Fund to help offset transaction costs. The Fund reserves the right to waive redemption/exchange fees, withdraw exceptions, or otherwise modify the terms of the redemption/exchange fee at its discretion at any time, to the extent permitted by law.

There are limited exceptions to the imposition of the redemption fee. The following redemptions are exempt from application of the redemption fee:

- Redemptions in a deceased shareholder account if such an account is registered in the deceased’s name;
- Redemptions in the account of a disabled individual (disability of the shareholder as determined by the Social Security Administration);
- Redemptions of shares purchased through a dividend reinvestment program;
- Redemptions pursuant to the Fund’s systematic programs; or
- Redemptions in qualified retirement plans under Section 401(a) of the Internal Revenue Code (“IRC”), and plans operating consistent with 401(k), 403(a), 403(b), 408, 408A, 457, and 223(d) of the IRC.

Although the Fund has the goal of applying this redemption/exchange fee to most redemptions of shares held for 14 days or less, the Fund may not always be able to track short-term trading effected through Financial Intermediaries in non-disclosed or omnibus accounts. While the Fund has entered into information sharing agreements with such Financial Intermediaries as described under “Tools to Combat Frequent Transactions” which contractually require such Financial Intermediaries to provide the Fund with information relating to its customers investing in the Fund through non-disclosed or omnibus accounts, the Fund cannot guarantee the accuracy of the information provided to them from Financial Intermediaries and may not always be able to track short-term trading effected through these Financial Intermediaries. In addition, because the Fund is required to rely on information provided by the Financial Intermediary as to the applicable redemption/exchange fee, the Fund cannot ensure that the Financial Intermediary is always imposing such fee on the underlying shareholder in accordance with the Fund’s policies.

**Tools to Combat Frequent Transactions.** The Fund is intended for long-term investors and does not accommodate frequent transactions. Short-term “market-timers” who engage in frequent purchases and redemptions can disrupt the Fund’s investment program and create additional transaction costs that are borne by all of the Fund’s shareholders. The Board has adopted policies and procedures that are designed to discourage excessive, short-term trading and other abusive trading practices that may disrupt portfolio management strategies and harm performance. In addition, the Fund discourages excessive, short-term trading and other abusive trading practices and the Fund may use a variety of techniques to monitor trading activity and detect abusive trading practices. These steps may include, among other things, the imposition of redemption fees, if applicable, monitoring trading activity, or using fair value pricing when appropriate, under procedures as adopted by the Board when the Adviser, Somerset, or Wellington Management, subject to the Adviser’s approval, determines current market prices are not readily

available. As approved by the Board, these techniques may change from time to time as determined by the Fund in its sole discretion.

In an effort to discourage abusive trading practices and minimize harm to the Fund and its shareholders, the Fund reserves the right, in their sole discretion, to reject any purchase order, in whole or in part, for any reason (including, without limitation, purchases by persons whose trading activity in Fund shares is believed by the Adviser to be harmful to the Fund) and without prior notice. The Fund may decide to restrict purchase and sale activity in its shares based on various factors, including whether frequent purchase and sale activity will disrupt portfolio management strategies and adversely affect the Fund's performance. Although these efforts are designed to discourage abusive trading practices, these tools cannot eliminate the possibility that such activity will occur. The Fund seeks to exercise their judgment in implementing these tools to the best of its ability in a manner that it believes is consistent with shareholder interests. Except as noted in the Prospectus, the Fund applies all restrictions uniformly in all applicable cases.

Due to the complexity and subjectivity involved in identifying abusive trading activity and the volume of shareholder transactions the Fund handles, there can be no assurance that the Fund's efforts will identify all trades or trading practices that may be considered abusive. In particular, since the Fund receives purchase and sale orders through Financial Intermediaries that use group or omnibus accounts, the Fund cannot always detect frequent trading. However, the Fund will work with Financial Intermediaries as necessary to discourage shareholders from engaging in abusive trading practices and to impose restrictions on excessive trades. In this regard, the Fund has entered into information sharing agreements with Financial Intermediaries pursuant to which these intermediaries are required to provide to the Fund, at the Fund's request, certain information relating to their customers investing in the Fund through non-disclosed or omnibus accounts. The Fund will use this information to attempt to identify abusive trading practices. Financial Intermediaries are contractually required to follow any instructions from the Fund to restrict or prohibit future purchases from shareholders that are found to have engaged in abusive trading in violation of the Fund's policies. However, the Fund cannot guarantee the accuracy of the information provided to them from Financial Intermediaries and cannot ensure that they will always be able to detect abusive trading practices that occur through non-disclosed and omnibus accounts. As a consequence, the Fund's ability to monitor and discourage abusive trading practices in omnibus accounts may be limited.

**Proceeds.** Proceeds will generally be sent no later than seven calendar days after the Fund receives your redemption request. If elected on your Account Application, you may have the proceeds of the redemption request sent by check to your address of record, by wire to a pre-determined bank, or by electronic funds transfer via the ACH network to the bank account designated by you on your fund Account Application. When proceeds are sent via the ACH network, the funds are usually available in your bank account in 2-3 business days.

**Check Clearance.** The proceeds from a redemption request may be delayed up to 15 calendar days from the date of the receipt of a purchase check until the check clears. If the check does not clear, you will be responsible for any losses suffered by the relevant Fund as well as a \$25 service charge imposed by the Transfer Agent. This delay can be avoided by purchasing shares by wire.

**Suspension of Redemptions.** We may temporarily suspend the right of redemption or postpone payments under certain emergency circumstances or when the SEC orders a suspension.

**Signature Guarantees.** The Transfer Agent may require a signature guarantee for certain redemption requests. A signature guarantee assures that your signature is genuine and protects you from unauthorized

account redemptions. A signature guarantee, from either a Medallion program member or a non-Medallion program member, of each owner is required in the following situations:

- If a change of address request has been received by the Transfer Agent within the last 30 calendar days;
- When requesting a change in ownership on your account; or
- When redemption proceeds are payable or sent to any person, address or bank account not on record.

In addition to the situations described above, the Fund and/or the Transfer Agent may require a signature guarantee in other instances based on the circumstances relative to the particular situation. Non-financial transactions including establishing or modifying certain services on an account may require a signature guarantee, signature verification from a Signature Validation Program member, or other acceptable form of authentication from a financial institution source. Signature guarantees will generally be accepted from domestic banks, brokers, dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations, as well as from participants in the New York Stock Exchange Medallion Signature Program and the Securities Transfer Agents Medallion Program (“STAMP”). A notary public is not an acceptable signature guarantor.

**Customer Identification Program.** Please note that, in compliance with the USA PATRIOT Act of 2001, the Transfer Agent will verify certain information on your Account Application as part of the Fund’s Anti-Money Laundering Program. As requested on the Account Application, you should supply your full name, date of birth, social security number and permanent street address. Mailing addresses containing only a P.O. Box will not be accepted. If you do not supply the necessary information, the Transfer Agent may not be able to open your account. Please contact the Transfer Agent at 1-800-540-6807 (toll free) or 414-203-9064 if you need additional assistance when completing your application. If the Transfer Agent is unable to verify your identity or that of another person authorized to act on your behalf, or if it believes it has identified potentially criminal activity, the Fund reserves the right to temporarily limit additional share purchases, close your account or take any other action they deem reasonable or required by law. The Trust has appointed an Anti-Money Laundering Officer to oversee the operation of and compliance with the Trust’s Anti-Money Laundering Program.

**No Certificates.** The Fund does not issue share certificates.

**Right to Reject Purchases.** The Fund reserves the right to reject or cancel within one business day, without any prior notice, any purchase order, including transactions that, in the judgment of the Adviser or Sub-Adviser, represent excessive trading, may be disruptive to the management of the Fund’s portfolio, may increase the Fund’s transaction costs, administrative costs or taxes, and those that may otherwise be detrimental to the interests of the Fund and its shareholders. The purpose of such action is to limit increased Fund expenses incurred when certain investors buy and sell shares of the Fund for the short-term when the markets are highly volatile. The Fund’s right to cancel or revoke such purchase orders would be limited to within one business day following receipt by the Fund of such purchase orders.

**Redemption In-Kind.** The Fund generally pays redemption proceeds in cash. However, the Fund reserves the right to pay redemption proceeds to you by a distribution of liquid securities from the Fund’s portfolio (a “redemption in-kind”). It is not expected that the Fund would do so except during unusual market conditions. If the Fund pays your redemption proceeds by a distribution of liquid securities, you could incur brokerage or other charges in subsequently converting the securities to cash and will bear any market risks associated with such securities until they are converted into cash. A redemption in-kind is



treated as a taxable transaction and a sale of the redeemed shares, generally resulting in capital gain or loss to you, subject to certain loss limitation rules.

**Small Accounts.** To reduce our expenses, if the value of your account falls below \$1,000 (excluding Qualified Retirement Accounts) with respect to Institutional Shares, or \$500 (excluding Qualified Retirement Accounts) with respect to Advisor Shares and Investor Shares, the Fund may ask you to increase your balance. If after 60 days, the account value is still below \$1,000 (excluding Qualified Retirement Accounts) for Institutional Shares, or \$500 (excluding Qualified Retirement Accounts) for Advisor Shares and Investor Shares, the applicable Fund may close your account and send you the proceeds. The Fund will not close your account if it falls below these amounts solely as a result of a reduction in your account's market value. There are no minimum balance requirements for Qualified Retirement Accounts.

**Internet Transactions.** You may open a Fund account as well as purchase or sell Fund shares online at [www.browнадvisoryfunds.com](http://www.browнадvisoryfunds.com). Establishing an account online is permitted only for individual, IRA, joint and UGMA/UTMA accounts. If you conduct transactions or open an account online, you are consenting to sending and receiving personal financial information over the Internet.

**Electronic Delivery.** Consistent with the Fund's commitment to environmental sustainability, you may sign up to receive daily transaction confirmations, quarterly statements, and tax forms statements electronically. You may also sign up to receive the Fund's financial statements and Prospectuses electronically on [www.browнадvisoryfunds.com](http://www.browнадvisoryfunds.com). You may change your delivery preference and resume receiving these documents through the mail at any time by updating your electronic delivery preferences on [www.browнадvisoryfunds.com](http://www.browнадvisoryfunds.com) or contacting the Fund at 1-800-540-6807 (toll free) or 414-203-9064.

**Householding.** In an effort to decrease costs, the Fund will reduce the number of duplicate Prospectuses and annual and semi-annual reports that you receive by sending only one copy of each to those addresses shown by two or more accounts. Please call the Transfer Agent toll free at 1-800-540-6807 to request individual copies of these documents. The Fund will begin sending individual copies 30 days after receiving your request. This policy does not apply to account statements.

**Confirmations.** If you purchase shares directly from any Fund, you will receive a confirmation statement detailing the transaction. Automatic reinvestments of distributions may be confirmed via a monthly or quarterly statement. Systematic investments/withdrawals will be confirmed only on a quarterly statement. You may consent to receive confirmations and quarterly statements electronically at [www.browнадvisoryfunds.com](http://www.browнадvisoryfunds.com), otherwise your confirmation and quarterly statements will be sent in the mail. You should verify the accuracy of all transactions in your account as soon as you receive your confirmations and quarterly statements.

**Portfolio Holdings.** A description of the Fund's policies and procedures with respect to the disclosure of portfolio securities is available in the Fund's SAI.

**Policy on Prohibition of Foreign Shareholders.** Shares of the Fund have not been registered for sale outside of the United States. Accordingly, the Fund generally requires that all shareholders must be U.S. persons with a valid U.S. taxpayer identification number to open an account with the Fund. The Fund generally does not sell shares to investors residing outside the United States, even if they are United States citizens or lawful permanent residents, except to investors with United States military APO or FPO addresses, investors who are clients of the Adviser or its affiliates, or other investors meeting eligibility

requirements as determined by the Adviser. The Fund reserves the right to close the account within 5 business days if clarifying information or documentation is not received.

**Canceled or Failed Payments.** The Fund accepts checks and ACH transfers at full value subject to collection. If the Fund does not receive your payment for shares or you pay with a check or ACH transfer that does not clear, your purchase will be canceled within 2 business days of bank notification. You will be responsible for any actual losses or expenses incurred by the Fund or the Transfer Agent as a result of the cancellation, and the Fund may redeem shares you own in the account (or another identically registered account that you maintain with the Transfer Agent) as reimbursement. The Fund and its agents have the right to reject or cancel any purchase or exchange (purchase side only) due to nonpayment.

**Lost Accounts.** The Transfer Agent may consider your account “lost” if correspondence to your address of record is returned as undeliverable on two consecutive occasions, unless the Transfer Agent receives your new address. In addition, the amount of any outstanding cash distribution checks (unpaid for six months or more) or checks that have been returned to the Transfer Agent will be reinvested at the then-current NAV and the checks will be canceled. However, checks will not be reinvested into accounts with a zero balance.

**Unclaimed Property.** Your mutual fund account may be transferred to your state of residence if no activity occurs within your account during the “inactivity period” specified in your state’s abandoned property laws.

### **Additional Information.**

The Trust enters into contractual arrangements with various parties, including among others, the Fund’s investment adviser, investment sub-advisers, principal underwriter, custodian, administrator and transfer agent who provide services to the Fund. Shareholders are not parties to any such contractual arrangements or intended beneficiaries of those contractual arrangements, and those contractual arrangements are not intended to create in any shareholder any right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the Trust.

This prospectus provides information concerning the Fund that you should consider in determining whether to purchase Fund shares. Neither this prospectus, the Statement of Additional Information, any documents filed as exhibits, nor any other communications, disclosure documents or regulatory filings from or on behalf of the Trust or the Fund is intended, or should be read, to be or give rise to an agreement or contract between the Trust, the Trustees or any Fund and any investor, or to give rise to any rights in any shareholder or other person other than any rights under federal or state law that may not be waived.

## Distributions and Taxes



### Distributions

The Fund declares distributions from net investment income, if any, at least annually. Any net capital gain realized by the Fund will be distributed at least annually. The Fund may make an additional payment of dividends or distributions if it deems it desirable at other times during any year.

All distributions of the Fund are reinvested in additional shares, unless you choose one of the following options:

- (1) receive dividends in cash, while reinvesting capital gain distributions in additional Fund shares;
- (2) receive all distributions in cash; or
- (3) reinvest dividends in additional Fund shares while receiving capital gain distributions in cash.

You may change your dividend and capital gain distribution election in writing or by calling the Transfer Agent in advance of the next distribution.

For Federal income tax purposes, distributions are treated the same whether they are received in cash or reinvested. Shares become entitled to receive distributions on the day after the shares are issued.

If an investor elects to receive distributions in cash and the U.S. Postal Service cannot deliver your check, or if a check remains uncashed for six months, the Fund reserves the right to reinvest the distribution check in the shareholder's account at the Fund's then current NAV and to reinvest all subsequent distributions.

### Taxes

The Fund intends to qualify to be taxed as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a regulated investment company, the Fund generally will not be subject to tax if it distributes its income as required by the tax law and satisfies certain other requirements that are described in the SAI.

You will generally be taxed on the Fund's taxable distributions, regardless of whether you reinvest them or receive them in cash. The Fund's taxable distributions of net investment income and short-term capital gains, if any, are taxable to you as ordinary income. The Fund's distributions of long-term capital gains, if any, are taxable to you as long-term capital gains, regardless of how long you have held your shares. Distributions may also be subject to certain state and local taxes. Some Fund distributions may also include nontaxable returns of capital. Return of capital distributions reduce your tax basis in your Fund shares and are treated as gain from the sale of the shares to the extent your basis would be reduced below zero.

The maximum tax rate for individual taxpayers applicable to long-term capital gains and income from certain qualifying dividends on certain corporate stock is generally either 15% or 20%, depending on whether the individual's income exceeds certain threshold amounts. A shareholder will also have to satisfy a more than 60-day holding period for the Fund shares with respect to any distributions of qualifying dividends in order to obtain the benefit of the lower tax rates. These rate reductions do not apply to corporate taxpayers.

A 3.8% Medicare tax will be imposed on certain net investment income (including ordinary dividends and capital gain distributions received from the Fund and net gains from redemptions or other taxable

dispositions of Fund shares) of U.S. individuals, estates and trusts to the extent that such person's "modified adjusted gross income" (in the case of an individual) or "adjusted gross income" (in the case of an estate or trust) exceeds certain threshold amounts.

Distributions of capital gain and distributions of net investment income reduce the NAV of the Fund's shares by the amount of the distribution. If you purchase shares prior to these distributions, you are taxed on the distributions even though the distributions represent a return of your investment.

The sale or exchange of Fund shares is a taxable transaction for Federal income tax purposes. You will recognize a gain or loss on such transactions equal to the difference, if any, between the amount of your net sales proceeds and your tax basis in the Fund shares. Such gain or loss will be capital gain or loss if you held your Fund shares as capital assets. Any capital gain or loss will generally be treated as long-term capital gain or loss if you held the Fund shares for more than one year at the time of the sale or exchange, and otherwise as short-term capital gain or loss.

Investment income received by the Fund from sources within foreign countries may be subject to foreign income taxes withheld at the source. If more than 50% of the value of the Fund's total assets at the close of its taxable year consists of securities of foreign corporations, or if at least 50% of the value of the Fund's total assets at the close of each quarter of its taxable year is represented by interests in other regulated investment companies, the Fund will be eligible and may elect to treat a proportionate amount of such foreign taxes paid by it as additional income to each shareholder which would generally permit each shareholder (1) to credit this amount (subject to applicable limitations) or (2) to deduct this amount for purposes of computing its Federal income tax liability. It is expected that the Fund will be eligible to make this election, although there can be no assurance in this regard. The Fund will notify you if they make this election.

The Fund may be required to withhold Federal income tax at the Federal backup withholding rate on all taxable distributions and redemption proceeds otherwise payable to you if you fail to provide the Fund with your correct taxpayer identification number or to make required certifications, or if you have been notified by the IRS that you are subject to backup withholding. Backup withholding is not an additional tax. Rather, any amounts withheld may be credited against your Federal income tax liability, so long as you provide the required information or certification. Investment income received by the Fund from sources within foreign countries may be subject to foreign income taxes withheld at the source.

After December 31 of each year, the Fund will mail you reports containing information about the income tax classification of distributions paid during the year.

Dividends paid by the Fund will not qualify as "exempt-interest dividends," and will not be excludable from gross income by its shareholders, because the Fund will not invest at least 50% of the value of its total assets in securities the interest on which is excludable from gross income.

For further information about the tax effects of investing in the Fund, including state and local tax matters, please see the SAI and consult your tax adviser.

## Index Descriptions



The **MSCI AC Asia ex Japan SMID Cap Index** captures mid and small-cap representation across 2 of 3 Developed Markets countries (excluding Japan) and 8 Emerging Markets countries in Asia. With 2,001 constituents, the index covers approximately 28% of the free float-adjusted market capitalization in each country. A direct investment in an index is not possible.

The **MSCI Emerging Markets Small Cap Index** is a free float-adjusted market capitalization index that is designed to measure small cap equity market performance in the global emerging markets. A direct investment in an index is not possible.

## Financial Highlights



The financial highlights tables are intended to help you understand the financial performance of the Fund since the Fund's commencement of operations. The total returns in the tables represent the rate that an investor would have earned (or lost) on an investment in the Fund, assuming reinvestment of all dividends and distributions. The information presented in the tables below, other than the information for the six months ended December 31, 2016, has been audited by Tait, Weller & Baker LLP, the Fund's independent registered public accounting firm, whose report, along with the Fund's financial statements, are included in the annual report, which is available upon request. The information presented for the six month period ended December 31, 2016, has not been audited. The financial highlights tables on the following pages reflect selected per share data and ratios for a share outstanding of the Fund throughout each period.

**BROWN ADVISORY – MACQUARIE ASIA NEW STARS FUND**

	Fiscal Year Ended:		
	Six Months Ended December 31, 2016 (unaudited)	June 30, 2016	June 30, 2015 <sup>(e)</sup>
<b>INSTITUTIONAL SHARES</b>			
Net Asset Value, Beginning of Period	\$9.18	\$11.70	\$10.00
Net Investment Income (Loss) <sup>(a)</sup>	0.01	—	0.02
Net Realized and Unrealized Gains (Losses)	(0.99)	(2.10)	1.68
Total from Investment Operations	\$0.98	\$(2.10)	\$1.70
<b>Distributions from:</b>			
Net Realized Gains	—	(0.42)	—
Total Distributions to Shareholders	\$—	\$(0.42)	\$—
Redemption fees <sup>(a)</sup>	— <sup>(f)</sup>	—	—
Net Asset Value, End of Period	\$8.20	\$9.18	\$11.70
Total Return	(10.68)% <sup>(b)</sup>	(18.16)%	17.00% <sup>(b)</sup>
Net Assets at End of Period (000's Omitted)	\$158,228	\$212,344	\$187,901
<b>Ratios to Average Net Assets:</b>			
Net Investment Income (Loss)	0.24% <sup>(c)</sup>	(0.03)%	0.27% <sup>(c)</sup>
Net Expenses	1.53% <sup>(c)</sup>	1.51%	1.83% <sup>(c)</sup>
Gross Expenses <sup>(d)</sup>	1.53% <sup>(c)</sup>	1.51%	1.83% <sup>(c)</sup>
Portfolio Turnover Rate	70% <sup>(b)</sup>	126%	89% <sup>(b)</sup>

<sup>(a)</sup> Calculated based on average shares outstanding during the period.

<sup>(b)</sup> Not annualized.

<sup>(c)</sup> Annualized.

<sup>(d)</sup> Reflects the expense ratio excluding any waivers and/or expense reimbursements.

<sup>(e)</sup> Commenced operations on November 21, 2014. The information presented is for the period from November 21, 2014 to June 30, 2015.

<sup>(f)</sup> Less than \$0.01 per share.

**BROWN ADVISORY – MACQUARIE ASIA NEW STARS FUND**

	Fiscal Year Ended:		
	Six Months Ended December 31, 2016 (unaudited)	June 30, 2016	June 30, 2015 <sup>(f)</sup>
<b>INVESTOR SHARES</b>			
Net Asset Value, Beginning of Period	\$9.15	\$11.69	\$10.00
Net Investment Income (Loss) <sup>(a)</sup>	—	(0.02)	0.01
Net Realized and Unrealized Gains (Losses)	(0.98)	(2.10)	1.68
Total from Investment Operations	\$(0.98)	\$(2.12)	\$1.69
<b>Distribution from:</b>			
Net Realized Gains	—	(0.42)	—
Total Distributions to Shareholders	\$—	\$(0.42)	—
Redemption fees <sup>(a)</sup>	—	— <sup>(e)</sup>	—
Net Asset Value, End of Period	\$8.17	\$9.15	\$11.69
Total Return	(10.71)% <sup>(b)</sup>	(18.35)%	16.90% <sup>(b)</sup>
Net Assets at End of Period (000's Omitted)	\$3,539	\$5,633	\$18,992
<b>Ratios to Average Net Assets:</b>			
Net Investment Income (Loss)	0.09% <sup>(c)</sup>	(0.18)%	0.12% <sup>(c)</sup>
Net Expenses	1.68% <sup>(c)</sup>	1.66%	1.98% <sup>(c)</sup>
Gross Expenses <sup>(d)</sup>	1.68% <sup>(c)</sup>	1.66%	1.98% <sup>(c)</sup>
Portfolio Turnover Rate	70% <sup>(b)</sup>	126%	89% <sup>(b)</sup>

(a) Calculated based on average shares outstanding during the period.

(b) Not annualized.

(c) Annualized.

(d) Reflects the expense ratio excluding any waivers and/or expense reimbursements.

(e) Less than \$0.01 per share.

(f) Commenced operations on November 21, 2014. The information presented is for the period from November 21, 2014 to June 30, 2015.





At Brown Advisory, we believe that you deserve frank and open communication on all aspects of our relationship. In this spirit, we provide this annual summary of our policies relating to confidentiality and privacy of client information, mutual funds, conflicts of interest, trading commissions, proxy voting and Form ADV annual notice.

### **CONFIDENTIALITY AND PRIVACY POLICY**

Brown Advisory takes the confidentiality of your personal information and the privacy of your account very seriously. Our commitment to safeguard your personal information goes beyond our legal obligation to process your transactions accurately and securely. Whether we serve you online, in person, on the telephone or by mail, the principles that guide the way in which we conduct business are built upon the core values of trust and integrity.

We limit access to your personal information to only those employees with a business reason to know such information. We train and consistently remind all employees to respect client privacy and to recognize the importance of the confidentiality of such information. Those who violate our privacy policy are subject to disciplinary action. This commitment also applies to the sharing of information among Brown Advisory and its affiliates.

We maintain physical, electronic and procedural safeguards that comply with applicable laws and regulations to protect your personal information, including various measures to protect your personal information while it is stored electronically.

Federal law requires us to inform you that we have on record personal information about you and that we obtain such information from you directly (e.g., information you provide to us on account applications and other forms, such as your name, address, social security number, occupation, assets and income) and indirectly (e.g., information on our computer systems about your transactions with us, such as your account balance and account holdings). Any personal information you choose to provide is kept confidential and allows us to: (i) provide better and more complete investment and strategic advice; (ii) develop new services that meet additional needs you may have; and, (iii) comply with legal and regulatory requirements.

In addition, in the normal conduct of our business, it may become necessary for us to share information relating to our clients that we have on record, as described above, with companies not affiliated with us who are under contract to perform services on our behalf. For example, we have contracted with companies to assist us in complying with anti-terrorist and anti-money laundering statutory requirements (including the identification and reporting of activities that may involve terrorist acts or money laundering activities), companies that provide clearing services, and other vendors that provide services directly related to your account relationship with us. Our agreements with these companies require that they keep your information confidential and not use such information for any unrelated purpose.

We do not sell information about you to third parties, and we do not otherwise disclose information to third parties without your permission or unless required by law.



## **FOR MORE INFORMATION**

### **Annual/Semi-Annual Reports**

The annual and semi-annual reports provide additional information about the Fund's investments, as well as the most recent financial reports and portfolio listings. The annual report contains a discussion of the market conditions and investment strategies that affected the Fund's performance during the last fiscal year.

### **Statement of Additional Information ("SAI")**

The SAI provides more detailed information about the Fund and is incorporated by reference into, and is legally part of, this Prospectus.

### **Contacting the Fund**

You can get free copies of the Prospectus, SAI and annual/semi-annual reports or other information by visiting the Fund's website at [www.brownadvisoryfunds.com](http://www.brownadvisoryfunds.com) or by contacting the Fund at:

**Brown Advisory Funds**  
c/o U.S. Bancorp Fund Services, LLC  
P.O. Box 701  
Milwaukee, WI 53201-0701  
800-540-6807 (toll free) or 414-203-9064

### **Securities and Exchange Commission Information**

You can also review the Fund's annual/semi-annual reports, the SAI and other information about the Fund at the Public Reference Room of the Securities and Exchange Commission ("SEC"). The scheduled hours of operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090. You can get copies of this information, for a fee, by visiting the SEC's website [www.sec.gov](http://www.sec.gov) or e-mailing or writing to:

**Public Reference Room**  
Securities and Exchange Commission  
Washington, D.C. 20549  
E-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov)

### **Distributor**

Quasar Distributors, LLC  
777 East Wisconsin Avenue, Floor 6  
Milwaukee, WI 53202-5207

Investment Company Act File No. 811-22708



**BROWN ADVISORY – MACQUARIE ASIA NEW STARS FUND**

Institutional Shares (BAFNX)  
Investor Shares (BIANX)  
Advisor Shares (Not Available for Sale)