Fundamental Long/Short Fund

Fourth Quarter 2017

LOW-NET-EXPOSURE SMALL-CAP

FUND OBJECTIVE

The Fund seeks to deliver attractive risk-adjusted returns over time while generating lower levels of volatility and muted losses in down markets relative to U.S. small-cap equities.

PORTFOLIO STRATEGY

- Value-oriented hedge fund with focus on small-cap stocks
- Short positions utilized to seek positive returns and hedge portfolio during market dislocations
- Managed in a tax-efficient manner
- Generally low net equity exposure (20%-40% range); can shift toward market-neutral stance for defensive purposes

INVESTMENT PHILOSOPHY

We believe that companies with **sustainable free cash flow** and management that demonstrates **effective capital allocation** represent attractive business models. Our research process identifies valuation disparities overlooked by the market. These **valuation gaps** provide a margin of safety and have the potential to generate additional returns.

Portfolio Manager: J. David Schuster Associate Portfolio Manager: Michael Poggi
Benchmarks: Russell 2000® Value Index, HFRI Equity Hedge (Total) Index

TRAILING RETURNS, NET OF EXPENSES BEFORE PERFORMANCE FEE [1]

(% AS OF 12/31/2017)

	3 MOS.	1 YR.	3 YR.	5 YR.	INCEPTION (08/01/10)
Fundamental Long/Short Fund (Net)	-0.12	2.18	2.84	4.69	5.44
HFRI Equity Hedge (Total) Index	3.41	13.34	5.79	6.61	5.55
Russell 2000® Value Index	2.05	7.84	9.55	13.01	12.71

PERFORMANCE STATISTICS SINCE INCEPTION [2]

(AS OF 12/31/2017)

	Fund	Russell 2000® Value Index
Volatility (Annualized Standard Deviation)	4.53%	15.55%
Annualized Alpha	4.79	--
Beta vs. Russell 2000® Value Index	0.05	--
Correlation vs. Russell 2000® Value Index	0.19	--

MONTHLY RETURNS, NET OF EXPENSES BEFORE PERFORMANCE FEE [3]

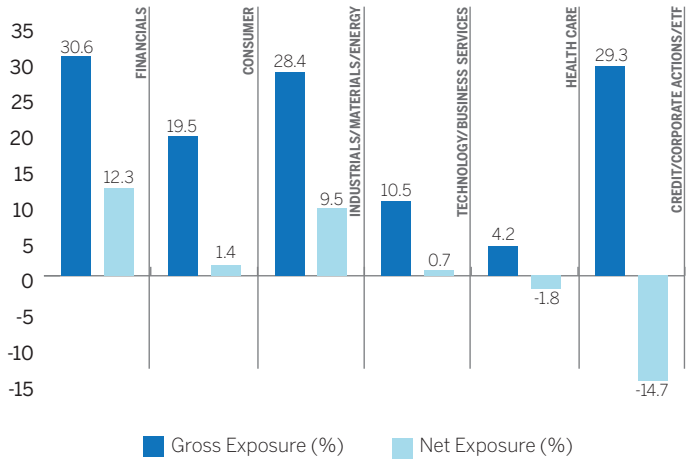
(% AS OF 12/31/2017)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	0.5	0.1	0.5	0.4	0.1	0.8	0.1	-0.0	-0.2	1.0	-0.4	-0.7	2.2
2016	2.4	-0.9	0.1	0.3	2.4	-0.1	-1.0	-0.7	0.3	-0.3	-0.3	0.6	2.8
2015	0.7	-1.2	1.7	-2.2	0.0	0.7	1.7	1.1	1.2	0.6	-0.9	0.2	3.6
2014	0.6	-0.4	-0.4	1.4	-0.3	0.2	-0.1	0.3	0.5	3.0	0.3	1.4	6.6
2013	0.9	-0.3	3.4	0.4	-2.2	0.2	0.6	0.8	1.6	1.7	2.4	-1.2	8.4
2012	4.8	2.8	0.5	-1.7	-1.2	1.8	2.8	0.6	2.9	1.2	0.6	0.1	16.0
2011	3.4	0.1	0.5	0.5	0.9	1.6	-2.0	-2.0	-1.8	2.0	-0.7	-1.0	1.5
2010	--	--	--	--	--	--	--	0.5	0.4	0.5	-0.1	-1.1	0.1

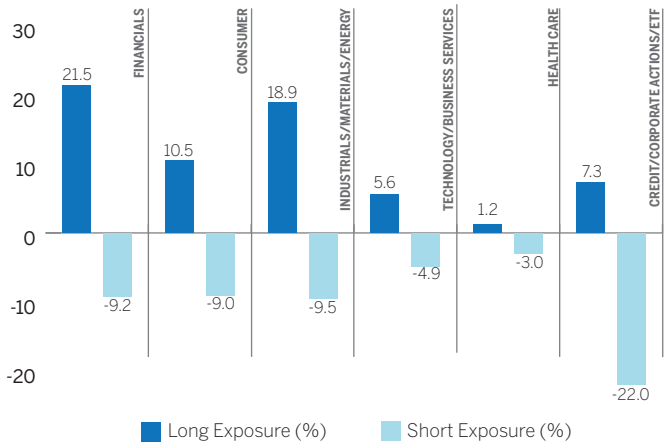
Source: U.S. Bank. Past performance is not indicative of future results. Performance and statistics are presented net of management fees and expenses, and gross of any performance incentive fees. An individual investor's return may vary from the returns shown herein based on the timing of capital contributions or withdrawals, different fee arrangements and eligibility to participate in certain investments. Please see the last page of this document for additional information and a complete list of terms and definitions.

1. Returns for periods greater than one year are annualized.
2. **Volatility** is measured by the annualized standard deviation of monthly returns. Alpha is a measure of performance on a risk-adjusted basis. **Alpha** takes the volatility (price risk) of the fund and compares its risk-adjusted performance to a benchmark index. **Beta** represents the slope of the regression of the fund's monthly returns vs. the benchmark. This is a measure of sensitivity to the market (benchmark). A lower number indicates a lesser reliance on market returns to generate overall fund returns. **Correlation** is a statistical measure of how two securities move in relation to each other. The range is between -1 and +1 with +1 implying both securities will move in the same direction, -1 meaning the securities will move in opposite directions and 0 implying no correlation.
3. 2010 YTD performance is from 08/01/2010 – 12/31/2010. All others represent full calendar years.

GROSS/NET SECTOR EXPOSURES
(% AS OF 12/31/2017)



LONG/SHORT SECTOR EXPOSURES
(% AS OF 12/31/2017)



Source: US Bancorp. Numbers may not total due to rounding. Portfolio information based on Fundamental Long/Short Fund. Sectors are based on the Global Industry Classification Standard (GICS) classification system with the exception of "Credit/Corporate Actions/ETFs" which represent merger, arbitrage or other event-driven occurrences. Positioning excludes cash and equivalents.

FUND TERMS

Minimum Investment	$250,000	
Investor Suitability	Qualified Purchasers and Accredited Investors	
Fees	Management Fee: 1.00% annually, paid quarterly in arrears Performance Incentive Fee: 20% of profits paid annually above high water mark, subject to waiver	
Investor Redemptions	Monthly with 30 days notice. Redemption available for all funds, except special investments	
Special Investments	Special Investments are those that, at the time of acquisition, have limited liquidity, no public market, and/or an investment horizon requiring a multi-year holding period. Limited to 10% of capital. Investors can opt out of participation in special investments	
Service Providers	Prime Broker: Wells Fargo Custodian: JPMorgan	Administrator: US Bancorp Fund Services, LLC Accounting: Tait, Weller and Baker LLP

This summary is being provided on a confidential basis and has been prepared solely for informational purposes by Brown Advisory Fundamental Long/Short Fund LLC (the "Fund") and may not be distributed or reproduced. The fund performance results shown herein are net of all operating expenses but include the reinvestment of dividends and other earnings. Please see below for details on net of management and performance fees calculations. Certain investors may not be charged a management fee or performance incentive fee. An individual investor's return may vary from the returns shown herein based on the timing of capital contributions or withdrawals, different fee arrangements and eligibility to participate in certain investments. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. The information in this document has not been independently reviewed or audited by outside certified public accountants. The information provided is not intended to be a forecast of future events or a guarantee of future results. Past performance is not indicative of future performance. This does not constitute an offer or a solicitation of an offer to buy or sell a security. It should not be assumed that investments in such securities have been or will be profitable. Any offer or solicitation must be made only by means of a delivery of a private placement memorandum.

Investment in the Fund involves significant risk factors and is suitable only for persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment and who meet the conditions set forth in the memorandum. There can be no assurances that the Fund will achieve its investment objective. Investment in the Fund carries with it the inherent risks associated with investments in securities as well as additional risks including, but not limited to the use of short sales and leverage. Please refer to the Fund's private placement memorandum for additional information.

Management fees include the 1% annual management fee and 20% performance incentive fee subject to a loss carry forward provision or "high water mark." Performance is the time-weighted return of the portfolio. *Brown Advisory LLC, the managing member of the Fund, may, in its discretion, determine that the Fund not pay the performance incentive fee, reduce, waive or calculate differently the amount of the performance incentive fee, or rebate any amount previously paid (including for investors who are employed by the managing member or any of its affiliates) for any calendar period. The performance incentive fee payable to the managing member of the Fund may create an incentive for it to make investments on behalf of the Fund that are riskier or more speculative than would be the case in the absence of a financial incentive based on the performance of the Fund. The inception date of the Fund is 08/01/2010.

The Fund will generally accept new or additional capital contributions on the last business day of a month, however, the Fund reserves the right, at its sole discretion, to accept capital contributions at other times. The minimum investment is $250,000, subject to waiver at the discretion of the Fund. Funds may be withdrawn by an investor on the last business day of each month. Written notice of withdrawals must be received by the Fund at least 30 business days prior to the withdrawal date.

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

HFRI® Equity Hedge (Total) Index maintains positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. Equity Hedge managers would typically maintain at least 50% exposure to, and may in some cases be entirely invested in, equities - both long and short. The HFRI® Equity Hedge Index is being used under license from Hedge Fund Research, Inc., which does not approve of or endorse any of the products discussed in the contents of this presentation. Index returns are subject to change without notice. HFR®, HFRI®, HFRX®, HFRQ®, HFRU®, WWW.HEDGEFUNDRESEARCH.COM® and HEDGE FUND RESEARCH™ are the trademarks of Hedge Fund Research, Inc. HFR Index returns are subject to change without notice.

Reference to the indexes does not imply that the Fund will achieve returns, volatility or other results similar to the index. The composition of the indexes may not reflect the manner in which the Fund is or was constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking error targets, all of which are subject to change over time. An investor cannot invest directly into an index.

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