



Form ADV Part 2A – Disclosure Brochure

October 19, 2015

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This Form ADV Part 2A (the “Brochure”) provides information about the qualifications and business practices of AMG Funds LLC (“AMGF” or the “Firm”). If you have questions about the contents of this Brochure, please contact us at 203.299.3500 or www.amgfunds.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about AMGF is also available on the SEC’s website at www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with AMGF who are registered, or are required to be registered, as investment adviser representatives of AMGF.

Although AMGF is registered as an investment adviser under the Investment Advisers Act of 1940, such registration does not imply that AMGF or our personnel have a certain level of skill or training.

Item 2 – Material Changes

This Item requires us to summarize any material changes to our Form ADV Part 2A. Since our most recent annual update on March 31, 2014 (and as described in the interim update of this Brochure dated April 28, 2014), our Brochure has been updated to reflect the rebranding of our business to AMG Funds, as the U.S. retail distribution arm of Affiliated Managers Group, Inc. (“AMG”), as well as the inclusion of Aston Asset Management, LLC and the Aston Funds as part of AMGF’s business. Additionally, on October 19, 2015 AMG Funds relocated to 600 Steamboat Road, Suite 300, Greenwich, CT 06830.

In addition to these changes, we have also made certain other non-material changes throughout this Form ADV.

If you would like a copy of our Form ADV Part 2A, please contact AMGF via email at ADVrequest@amg.com or in writing at:

AMG Funds LLC
Attn: Chief Compliance Officer
600 Steamboat Road, Suite 300
Greenwich, CT 06830

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Item 4 – Advisory Business

As the U.S. retail distribution arm of AMG, AMGF is an investment advisory firm offering a range of investment solutions. AMG is a publicly traded asset management company (NYSE: AMG) with equity investments in boutique investment management firms (“AMG Affiliates”). Investment solutions offered by AMGF include the AMG Funds family of funds (the “Funds”), which includes the AMG Funds family of mutual funds (the “Mutual Funds”) and the AMG Pantheon Private Equity Funds (the “AMG Pantheon Funds”), and other investment strategies managed by certain AMG Affiliates.

AMGF is the advisor, sponsor and administrator of the Mutual Funds and the sponsor and administrator to the AMG Pantheon Funds, which are offered to qualified investors. Through the Funds, AMGF provides services to a wide array of fund shareholders, including high-net-worth individuals, corporate pension and profit sharing plans, public pension plans, charitable institutions, foundations, endowments and 401(k) sponsors and plan investors. Investors wishing to utilize AMGF’s services may do so through financial consultants, registered investment advisors, and other financial intermediaries, or directly with the Funds.

AMGF is also the sponsor of our ManagersChoice[®] Asset-Allocation Program (the “Program”), which is described further below.

As AMG’s U.S. retail distribution arm, AMGF’s business also includes Aston Asset Management, LLC (“Aston”), an investment adviser registered with the SEC that is a wholly owned subsidiary of AMGF. Aston is the adviser, sponsor and administrator of the Aston Funds family of mutual funds. More information on Aston is included in Aston’s Form ADV, Part 2A, which is available at www.adviserinfo.sec.gov.

AMGF currently has approximately 120 employees in offices in Greenwich, CT; Chicago, IL; and Conshohocken, PA.

Assets Under Management

As of December 31, 2014, AMGF managed approximately \$41.2 billion in client assets. AMGF’s regulatory asset under management reported in Form ADV Part 1A and Part 2A does not include certain assets in the Program. More detailed information on assets under management is included in our Form ADV Part 1A – Item 5.F.

Principal Ownership

As described above, AMGF is a wholly owned subsidiary and the U.S. retail distribution arm of AMG. Further information regarding AMG and AMG’s Affiliates can be found in Item 10 – Other Financial Industry Activities and Affiliations.

Advisory Services –Funds

As described above, AMGF serves as the Investment Manager, Sponsor and Administrator to the Mutual Funds, as well as serving as Sponsor and Administrator of the AMG Pantheon Funds. Each of the Funds is a registered investment company under the Investment Company Act of 1940. Each Fund has different investment objectives, policies and restrictions that are set forth in the Fund’s registration statement or offering memorandum, as the case may be.

AMGF acts as the Investment Manager to each of the Mutual Funds pursuant to the terms of an investment advisory agreement. As Investment Manager, AMGF oversees the provision of all general management, investment advisory and portfolio management services for the Mutual Funds. For the AMG Pantheon Funds, Pantheon Ventures (US) LP, an AMG Affiliate, serves as the investment adviser, with AMGF serving as the sponsor and administrator, as described above.

As AMG's U.S. retail distribution arm, AMGF is responsible for selecting Subadvisors for the Mutual Funds. The Mutual Funds are designed to offer actively managed, return oriented investment strategies. To that end, AMGF provides access to many of AMG Affiliates through our Mutual Funds. Additionally, AMGF offers complementary Mutual Funds managed by unaffiliated Subadvisors.

AMGF generally does not research or select the specific portfolio securities purchased by the Mutual Funds. Each Subadvisor has discretion to purchase and sell portfolio securities for the portion of a Mutual Fund that it manages within the parameters of the Mutual Fund's objectives, policies and restrictions. Although the Subadvisors' activities are subject to AMGF's general oversight, the Firm does not evaluate the investment merits of the Subadvisors' individual investment selections. AMGF reviews the overall structuring of each Mutual Fund's portfolio, monitors the performance of the Subadvisors and monitors their portfolio security selections for compliance with the Mutual Fund's investment objectives, policies and restrictions, as well as regulatory requirements.

AMGF's principal sources of information for evaluating Subadvisors include the qualitative and quantitative materials prepared by in-house research analysts, as well as information and assistance provided by independent third parties. These materials are based on in-person meetings and other communications with Subadvisors; computer databases concerning investment results of Subadvisors obtained by AMGF; reviews of publicly available information contained in the financial press and other sources; Subadvisor-prepared information; and research and statistical materials prepared by others. AMGF monitors all of the Mutual Funds' Subadvisors through an ongoing quantitative and qualitative evaluation of each Subadvisor's skills in managing assets subject to specific investment styles and strategies and periodically reports its findings to the Funds' Board of Trustees.

Any recommendation by AMGF to hire or terminate a Subadvisor for the Mutual Funds is subject to the approval of the Mutual Funds' Board of Trustees. Additionally, the SEC has provided the Mutual Funds an exemptive order generally permitting AMGF, on behalf of the Mutual Funds, to hire new unaffiliated Subadvisors for the Mutual Funds without prior shareholder approval, subject to shareholder notification within 90 days of the hiring of such Subadvisor.

Additional information regarding the activities and operations of the Funds is described in each Fund's Prospectus and SAI.

Asset Allocation Programs - ManagersChoice®

ManagersChoice is a series of globally diversified asset-allocation models that are made available through third party intermediaries. The models are constructed utilizing asset-allocation tools and implemented with investments in a diversified mix of Affiliated and unaffiliated mutual funds. ManagersChoice consists of various portfolios that span the risk/return spectrum. Each portfolio targets a specific risk tolerance, capital appreciation potential and income need, while incorporating consideration of time horizon and, in several model portfolios, tax considerations. AMGF's Investment Committee (the "Committee") comprises members of senior management and senior members of its Investment Research team, and is responsible for overseeing the development, implementation and monitoring of the ManagersChoice model portfolios. The Committee employs asset-allocation tools to structure multiple-manager strategies into the various portfolios. Additionally, to assist with asset allocation and portfolio construction, AMGF also retains third parties such as investment consulting firms or other investment advisers including Affiliates for the provision of nondiscretionary investment advisory services with respect to ManagersChoice.

To participate in ManagersChoice, financial intermediaries, including registered investment advisers, financial planning firms, and broker-dealers (each, a "Financial Advisor" and collectively, the "Financial Advisors") execute an agreement with AMGF (the "ManagersChoice Agreements"). The ManagersChoice Agreements provide for the Financial Advisors to handle certain responsibilities with respect to the investing of each ManagersChoice client's assets through the ManagersChoice program. AMGF does not enter into agreements with clients who invest in the ManagerChoice program, except in limited circumstances described below.

The Financial Advisor is responsible for determining whether ManagersChoice is suitable for their client and for recommending a particular ManagersChoice model portfolio. The Financial Advisor is also responsible for regularly assessing the ongoing appropriateness of a particular model in light of their clients' changing circumstances and for ensuring that each client receives individualized management of their account.

AMGF provides a number of tools to assist Financial Advisors, including an investor questionnaire that may be used to determine the appropriate model portfolio for each client based on the client's financial situation and investment objectives. AMGF also provides online resources for Financial Advisors to create proposals, access accounts and produce customized client reports.

Depending upon the client's relationship, the Financial Advisor, the client or AMGF may have discretionary authority to (i) decide which ManagersChoice model in which to invest a client's assets, (ii) decide if and when to redeem or exchange investments, and (iii) provide certain other instructions regarding a client's ManagersChoice account. Discretionary authority is effective until changed or revoked in writing. A client may, at any time, impose reasonable restrictions on the management of its account or choose a new investment strategy.

For certain ManagersChoice clients who have terminated their relationship with financial intermediaries, each client will execute an agreement directly with AMGF, which will be responsible for investing each client's assets through the ManagersChoice program.

Investments in Money Market Funds or Short-Term Investment Funds

In certain cases, AMGF may utilize unaffiliated money market funds or other short-term investment funds generally offered by clients' custodians as temporary investment vehicles for its ManagersChoice accounts subject to applicable restrictions and as permitted by law. The use of unaffiliated money market funds for client accounts, either in "sweep" arrangements, for temporary investment purposes or otherwise, will result in certain advisory clients paying an investment management fee to the investment adviser of the unaffiliated money market fund in addition to an advisory fee to AMGF. Client assets also may be invested in an unaffiliated money market fund for which AMGF receives marketing and administrative services fees. AMGF does not actively manage the residual cash in client accounts and generally will not be responsible for monitoring the unaffiliated money market fund or other short-term fund into which cash is swept.

Other Services

In addition to the Advisory Services provided by AMGF, the Firm has servicing agreements with certain AMG Affiliates, under which AMGF provides non-discretionary support services such as marketing and client services to support the investment adviser's provision of advisory services through sponsored programs, including wrap programs and limited administrative support. AMGF is paid a fee by these investment advisers for these servicing agreements.

AMGF also has entered into subadvisory marketing agreements with certain AMG Affiliates under which AMGF markets the AMG Affiliates' advisory services to sponsors of subadvised funds or other platforms. AMGF receives a fee from the AMG Affiliate if the Affiliate is engaged by the intermediary or other platforms. For this line of business, the Firm may do business as "AMG Distributors".

As described above, AMGF is the sole shareholder in Aston Asset Management, LLC ("Aston") an investment advisor registered with the SEC. Aston sponsors and serves as investment adviser to the Aston Funds family of mutual funds. Aston also provides mutual fund administration, marketing and other services to Aston Funds. In addition, Aston provides investment management services, generally on a discretionary basis, to separately managed accounts for high net worth individuals, institutional clients, pension or profit sharing plans, and charitable organizations. These services are generally provided under "wrap fee programs" sponsored by broker-dealers or other firms.

AMGF is the sole shareholder in AMG Distributors, Inc. ("AMGDI") a broker-dealer that serves as the distributor of the Funds, the distributor of certain mutual funds sponsored by AMG Affiliates, and the placement agent for certain private funds sponsored by AMG Affiliates. As part of these arrangements, AMGF and AMGDI provide administrative, marketing and distribution support service to the AMG Affiliates for the servicing or distribution of their funds through various distribution platforms, with AMGF and/or AMGDI being compensated by these AMG Affiliates for these services. In addition, certain employees of AMGF and other AMG Affiliates that serve as subadvisors to the Funds or advisors to the other funds described above are registered representatives of AMGDI.

AMGF serves as the Administrator for the AMG Pantheon Funds. As Administrator, AMGF performs certain administrative, accounting, and investor services. In consideration for these services, the AMG Pantheon Funds pay AMGF, as the Administrator a fee based on the average net assets of the AMG Pantheon Funds.

Item 5 – Fees and Compensation

Standard Fee Schedule

Specific fees associated with funds or services AMGF offers are typically set forth in the applicable fund prospectus, or in the ManagersChoice program materials, as applicable. AMGF may choose to waive any account minimum in its sole discretion or to charge a minimum fee or account maintenance fee or administrative fee, regardless of the size of the account.

AMGF may negotiate fees in its discretion. Other investment advisers may charge higher or lower fees than those charged by AMGF for comparable service. Advisory fees may be subject to a specified annual minimum; however, AMGF reserves the right to waive all or a portion of its management fee and negotiate minimum annual fees.

Funds

As noted in Item 4 – Advisory Business, AMGF serves as the Investment Manager to each of the Mutual Funds, pursuant to the terms of a Fund Management Agreement. For the AMG Pantheon Funds, Pantheon Ventures (US) LP, an AMG Affiliate, serves as the investment adviser.

Fees for Mutual Fund investments generally include two types – shareholder fees and annual fund operating expenses. Shareholder fees may include:

- Redemption fees (fees paid to the fund upon the sale of mutual fund shares);
- Exchange fees (fees charged for transferring to another fund within the same fund group);
- Account fees (account maintenance fees); and

Annual fund operating fees include:

- Management fees (fees paid to an adviser or its affiliates for managing the fund);
- Distribution fees (e.g., 12b-1) and/or shareholder service; and
- Other expenses (miscellaneous expenses, such as custodial expenses, legal expenses, accounting expenses, transfer agent expenses, and other administrative expenses).

The annual fees for the Mutual Funds are included in each Mutual Fund's Prospectus and SAI. Investment management fees for the Mutual Funds are determined based on investment style, asset class, and other factors.

Clients whose assets are invested in the Mutual Funds may pay some or all of the above fees. Information concerning the funds, including a description of the services provided and advisory and other fees can be found in each Mutual Fund's prospectus at www.amgfunds.com.

As compensation for its services as Investment Manager, AMGF may retain a portion of the overall management fee charged to the Mutual Funds, which is computed daily as a percentage

of the average net assets of the Mutual Fund, and may be paid monthly or quarterly. Where AMGF retains a portion of the fee, the remainder of the management fee is paid to the Mutual Funds' Subadvisors. The fee paid to each of the Subadvisors is paid out of the fee AMGF receives from a Mutual Fund and does not increase the expenses of a Mutual Fund. Total management fees and individual Subadvisor fees are shown in the Prospectus and SAI for the Mutual Funds.

Asset-Allocation Programs – ManagersChoice

AMGF does not receive fees directly from clients who participate in the ManagersChoice program. AMGF does receive management and administrative fees from the underlying Mutual Funds managed by AMGF that are used in the Models. These fees are based on the assets under management in each Mutual Fund, and are payable pursuant to the Fund Management Agreements and related agreements. Financial Advisors whose clients have selected the ManagersChoice program typically receive an additional fee from clients based on the annual percentage of the assets being managed.

Besides investment management fees, an investment in the underlying Mutual Funds is subject to additional fees and expenses that are described in each Mutual Fund's Prospectus and SAI. These include administration, distribution, transfer agent, custodial, legal, audit and other fees and expenses.

As described in Item 14, AMGF also may pay a fee to third parties whose clients invest in the ManagersChoice program. This fee will not increase the amount of fees paid by those clients. AMGF or certain AMG Affiliates may also receive servicing fees from Affiliated and unaffiliated third parties whose mutual funds are offered in the ManagersChoice program.

Additional Fees and Expenses

AMGF fees do not include brokerage commissions, transaction fees, service provider fees, and other related costs and expenses that ManagersChoice clients or fund shareholders will incur. Fund shareholders will typically pay a brokerage commission for transaction execution. Investment activity by AMGF, a Fund subadvisor or an adviser whose investment strategies are serviced and offered by AMGF may also involve other transaction fees payable by ManagersChoice clients or fund shareholders, such as deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, Fund shareholders may incur certain charges imposed by custodians, broker-dealers, third-party investment consultants, and other third parties, such as management fees, consulting fees, and custodial fees.

Fees for Investment of Assets in Money Market Funds or Short-Term Investment Funds

As noted in Item 4 – Advisory Business, AMGF may utilize unaffiliated money market funds or other short-term investments generally offered by ManagersChoice clients' custodians as temporary investment vehicles for certain advisory accounts, subject to applicable restrictions and as permitted by law. The use of these money market funds for ManagersChoice client accounts, either in "sweep" arrangements, for temporary investment purposes or otherwise, will result in certain ManagersChoice clients paying an investment management fee to the investment adviser of the unaffiliated money market fund. ManagersChoice client assets also may be

invested in an unaffiliated money market fund for which AMGF receives marketing and administrative service fees.

Item 6 – Performance-Based Fees and Side-by-Side Management

AMGF does not charge fees based on performance or the net profits of the assets being managed, other than a “fulcrum” fee which is charged to one Mutual Fund. Such fulcrum fee, which may be considered a performance-based fee, causes the Mutual Fund’s fee to increase or decrease on the terms and parameters as described in the Mutual Fund’s prospectus.

Side-by-Side Management

AMGF is an investment advisory firm offering a range of investment products, including mutual funds. Some of these products may present a conflict of interest for AMGF, as our employees or AMG Affiliates may have an interest in such products. To address any potential conflicts, AMGF policies and procedures seek to ensure that investment decisions are made in accordance with the fiduciary duties owed to such products and without consideration of AMGF investment or financial interests. With respect to the Mutual Funds, AMGF periodically reviews each Subadvisors policies and procedures related to allocation of investment opportunities, which includes side-by-side management.

Funds

As noted above, the Mutual Funds’ Subadvisors are responsible for the day-to-day portfolio management of the Mutual Funds. These firms each have their own policies and procedures regarding the allocation of investment opportunities that address any potential side-by-side management conflicts. These policies and procedures are designed to ensure the fair and equitable allocation over time of investment opportunities across these firms’ clients, including the Mutual Funds. AMGF’s Compliance and Investment teams evaluate these firms written policies and procedures, generally during both pre-hire and ongoing due diligence visits by AMGF.

In addition, AMGF’s Compliance and Investment teams review periodic reports from each of these firms to assist in the teams’ evaluation of the effectiveness of the these firms allocation policies and procedures. Included among these reports are reports on IPO allocations, cross transactions and affiliated transactions.

Item 7 – Types of Clients

Types of Clients

As described previously, AMGF provides investment advisory services to the Mutual Funds. Through the Mutual Funds, AMGF provides services to a wide array of fund shareholders, including high-net-worth individuals, corporate pension and profit sharing plans, public pension plans, charitable institutions, foundations, endowments and 401(k) sponsors and plan investors. Investors wishing to utilize AMGF’s services may do so through financial consultants, registered investment advisors, and other financial intermediaries, or directly with the Mutual Funds.

Conditions for Managing Accounts

AMGF provides services to the Mutual Funds and ManagersChoice programs described in Item 4 – Advisory Business. The ManagersChoice Program may have a minimum dollar value of assets and other conditions for starting or maintaining an account. These conditions vary and are

subject to change and are included in the relevant Fund or ManagersChoice program materials. AMGF reserves the right to accept or maintain accounts below any stated minimum dollar values.

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

Strategy Overview and Methods of Analysis

As noted in Item 4 – Advisory Business above, AMGF is the advisor, sponsor and administrator of the Mutual Funds, which includes a broad range of mutual funds, and is the sponsor and administrator of the AMG Pantheon Funds, which are offered to qualified investors. AMGF is also the sponsor of our ManagersChoice® Asset-Allocation Program (the “Program”).

As noted in Item 4 – Advisory Business above, AMGF has an Investment Committee and Product Committee (the “Committees”) that oversee the Firm’s investment products and strategies. These Committees includes members of senior management and the Investment Research team. The Committees meet on a periodic basis and are responsible for establishing and monitoring investment policies for the Mutual Funds and reviewing and evaluating the effectiveness and continuing appropriateness of the Mutual Funds’ investment strategies and objectives. The Committees also makes recommendations to the Mutual Funds’ Board of Trustees regarding the hiring and replacement of Subadvisors for the Mutual Funds. The Committees also review the AMG Pantheon Funds for effectiveness and continuing appropriateness. In addition, these Committees are also responsible for overseeing the Firm’s ManagersChoice program, and for determining allocations for this asset-allocation program, including periodic rebalancing.

In addition to the Committees, AMGF’s Investment Research team is responsible for the search, selection and monitoring process with respect to Subadvisors for the Mutual Funds, and the mutual funds offered in the Firm’s ManagersChoice program. The Investment Research group conducts regular due diligence on existing Subadvisors as well as prospective Subadvisors, and makes recommendations to the Committees regarding the hiring and terminating of Subadvisors. As part of the evaluation and due diligence process, the Investment Research team evaluates Subadvisors through an array of qualitative and quantitative factors including investment process, portfolio construction and characteristics, firm personnel, firm organization and performance results. Investment performance is assessed on an ongoing basis, and is considered along a number of different dimensions including on an absolute basis, relative to appropriate, pre-defined benchmarks, and in comparison to peers with similar mandates.

As part of the initial and on-going due diligence process, AMGF’s Compliance Team also reviews Subadvisors with a focus on items such as regulatory and legal issues, portfolio management policies, compliance staffing, trading practices, disclosures, conflicts of interest, safeguarding client information, valuation and business continuity planning, as well as reviewing various periodic compliance reports. The results of these reviews are reported to the Committees and to the Investment Research team, so that the Committees and Investment Research team can consider these reports in the search, selection and monitoring process described above.

For the Mutual Funds, and as noted in Item 4 – Advisory Business, each Mutual Fund has different investment objectives, policies and restrictions, which are set forth in each Fund’s offering documents, which includes Prospectuses. SAI and Subscription documents. As described previously, AMGF retains one or more Subadvisors for each of the Mutual Funds, and

as a result (and except as otherwise discussed in this Brochure or in the Mutual Fund's offering documents) AMGF generally does not research or select the specific portfolio securities held by the Mutual Funds. More information on the investment process for each Mutual Fund is contained in the Mutual Fund's offering documents.

The main sources of information AMGF uses includes, but is not limited to, quantitative data provided by third-party vendors, financial newspapers and magazines, research materials and reviews of our Mutual Funds and/or Subadvisors prepared by third parties that AMGF has retained, corporate rating services relating to historical prices of securities, dividends, and earnings, annual reports, prospectuses, filings with the SEC, and company press releases. In addition, our regular interactions with each Subadvisor, including discussions of performance, market outlook and recent trade activity, provide further information. Conference calls are generally conducted on a quarterly basis with each Subadvisor, while ad-hoc calls and meetings may occur more frequently as a result of our ongoing monitoring efforts.

Certain Risks

The Funds and Programs AMGF offers carry different levels of risk. In each Program or Fund, all securities include a risk of loss of principal and any profits that have not been realized. The stock markets, bond markets, and derivatives markets fluctuate substantially over time and, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets, and such a loss may be out of our control. AMGF cannot guarantee any level of performance and cannot guarantee that investors will not experience a loss of value in their account.

In addition, in light of AMGF's role as the Investment Manager and Administrator with respect to the Mutual Funds, and as sponsor of the ManagersChoice program, there is the risk that AMGF's search, selection and monitoring process may not identify Funds or Subadvisors that are able to successfully pursue the investment objectives of a particular Fund or program, whether at the outset of a relationship with a particular Subadvisor and/or during the course of AMGF's relationship with the Subadvisor. For ManagersChoice, there is also the risk that AMGF may not rebalance the accounts among the various sleeves or components in a manner that achieves the account's investment objective, or that the timing of any rebalance (or decision not to rebalance at a particular time) will ultimately be successful.

With respect to the individual holdings in the Funds, there are additional risks associated with holdings of specific securities. While the information provided below is not intended to describe all of the risks associated with a particular investment by the Funds, some of the additional specific risks to which client assets may be susceptible include:

General Risks

- **Market Risk** – the risk that the market value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk).
- **Liquidity Risk** – the possibility that an account might not be able to settle or meet its obligation on time or at a reasonable price.
- **Interest-rate Risk** – arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

- Sector Risk – strategies focused on or concentrated in a single sector may be affected by particular economic or market events and could be more volatile than a strategy with securities across industry sectors.
- Currency Risk – the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. Strategies that hold investments in securities denominated in foreign currencies could be adversely affected by reductions in the value of a foreign currency relative to the functional currency of the portfolio.
- Foreign Investment Risk – investing in securities or other investments of foreign issuers involve additional risks (such as risks arising from less frequent trading, changes in political or social conditions, and less publicly available information about non-U.S. issuers) that differ from those associated with investing in securities of U.S. issuers and may result in greater price volatility.
- Developing or Emerging Market Risks – the economies of developing or emerging market countries may be more dependent on relatively few industries that may be highly vulnerable to local and global changes. The governments of developing and emerging market countries may also be more unstable than the governments of more developed countries. These countries generally have less developed securities markets or exchanges, and less developed legal and accounting systems. Securities may be more difficult to sell at an acceptable price and may be more volatile than securities in countries with more mature markets.
- Derivatives Risks – the use of derivative instruments for hedging purposes or as part of its investment strategy may be utilized in certain investments. There is a risk that a derivative intended as a hedge may not perform as expected. Risk associated with derivatives include that derivatives can amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative, or that the counterparty may fail to honor its contract terms, causing a loss for a particular investment. Use of these instruments may also involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk, and the risk that a fund could not close out a position when it would be most advantageous to do so. Further information on derivatives risks is presented below.
- Management Risks – Management risk (risk that is inherent to actively managed investment portfolios) is the chance that security selection or focus on securities in a particular style, market sector or group of companies will cause an investment strategy to underperform relevant benchmarks or other strategies with a similar investment objective. Investment techniques and risk analyses are applied in making investment decisions for a strategy, but there can be no guarantee that these will produce the desired result. To the extent a strategy uses quantitative analyses and/or models, any imperfections or limitations in such analyses and/or models could affect the ability of the strategy to be implemented. In particular, these analyses and models may make simplifying assumptions that limit their efficacy, may appear to explain prior market data but fail to predict future market events, and may use data that is inaccurate and/or does not include the most recent information about a company or a security.
- Active management and frequent trading risk – Active management and frequent trading may result in high transaction costs and increased tax liability.
- Concentrated Investment risk – Investments in a concentrated investment vehicle will be greatly affected by the fluctuations in the value of a single stock.

Equity Risks

- Large-Cap Stock Risk – investment strategies focusing on large-cap companies may underperform other equity investment strategies as large cap companies may not experience sustained periods of growth in the mature product markets in which they operate.
- Small/Mid-Cap Stock Risk – investment strategies focusing on small- and mid-cap stocks involve more risk than strategies focused on larger more established companies because small- and mid-cap companies may have smaller revenue, narrower product lines, less management depth, small market share, fewer financial resources and less competitive strength.
- Short sales risk – An investor may suffer significant losses on assets that are sold short. Unlike the possible loss on a security that is purchased, there is no limit on the amount of loss on an appreciating security that is sold short.

Fixed Income Risks

- Fixed-Income Market Risks – economic and other market developments can adversely affect fixed-income securities markets in Canada, the United States, Europe and elsewhere. At times, participants in debt securities markets may develop concerns about the ability of certain issuers to make timely principal and interest payments, or they may develop concerns about the ability of financial institutions that make markets in certain debt securities to facilitate an orderly market which may cause increased volatility in those debt securities and/or markets.
- Counterparty Risk – risk that each party in a contract will not meet their obligations.
- Credit risk – the potential loss that an investor would incur if the counterparties failed to perform to the terms of their obligations. Adverse news about an issuer or a downgrade in an issuer's credit rating can also reduce the market value of an issuer's securities.
- Duration Risk – risk that fluctuation in interest rates may result in falling or rising bond prices.
- Asset-backed /Mortgage-backed securities risk – Investments in asset-backed or mortgage-backed securities are exposed to prepayment and extension risks that may be greater than investments in other fixed income securities.
- Municipal market risk – Factors unique to the municipal bond market may negatively affect the value in municipal bonds.
- High yield securities risk – High-yield bonds (also known as “junk bonds”) are subject to additional risks beyond those inherent in higher-rated investments, such as the risk of default.
- Extension risk – During periods of rising interest rates, a debtor may pay back a bond or other fixed income security slower than expected or required, and the value of such security may fall.
- U.S. Government securities risk – obligations issued by some U.S. Government agencies, authorities, instrumentalities, or sponsored enterprises are backed by the full faith and credit of the U.S. Government, while obligations issued by others are not backed by the full faith and credit of the U.S. Government and are backed solely by the entity's own resources or by the ability of the entity to borrow from the U.S. Treasury. If one of these agencies defaults on a loan, there is no guarantee that the U.S. Government will provide financial support.

Derivatives Risks

- ETNs, options, futures, forwards and other derivatives are financial contracts whose value depend on, or are derived from, the value of an underlying asset, interest rate or index.
- The use of derivatives will involve costs, the risk of mispricing or improper valuation, and may result in losses or have the effect of accelerating the recognition of gain.
- As a general matter, when a Fund establishes certain derivative instrument positions, such as certain futures, options and forward contract positions, it will segregate liquid assets (such as cash, U.S. Treasury bonds or commercial paper) equivalent to the Fund's outstanding obligations under the contract or in connection with the position.
- The use of derivatives may not succeed for various reasons, including unexpected changes in the value of the derivatives or the assets, rates or indices underlying them.
- Some derivatives are also subject to credit and counterparty risk, in that a counterparty may fail to honor its contract terms, causing a loss for the Fund.
- Leverage risk – The use of leverage in an investment can magnify relatively small market movements into relatively larger losses for the investment.

Investments in securities and other financial instruments and products that are subject to fluctuations create many types of risk that can cause the permanent loss of capital, whether as a result of adverse market conditions or otherwise.

Additional risks may be found in each applicable Fund's Prospectus and SAI, which is available at www.amgfunds.com, and in each Subadvisor's Form ADV Part 2A, which are available at www.adviserinfo.sec.gov.

Item 9 – Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10 – Other Financial Industry Activities and Affiliations

Affiliations

As noted in Item 4 – Advisory Business above, AMGF is a wholly-owned subsidiary and U.S. distribution arm of AMG, a publicly traded asset management company with equity investments in boutique investment management firms. AMG also holds equity interests in certain other investment advisers. Each of the other AMG Affiliates is operated autonomously and independently. As described in this Brochure, AMGF has business dealings with several of these Affiliates. More information regarding AMG, including its public filings and a list of AMG Affiliates, is available at www.amg.com.

As noted in Item 4 – Advisory Business, AMGF has mutual fund subadvisory agreements with various AMG Affiliates. As described in each Fund's Prospectus and SAI, the Mutual Funds pay AMGF advisory fees, and AMGF pays the Subadvisors (including Subadvisors that are AMG Affiliates) subadvisory fees for the Mutual Funds they manage.

As noted in Item 4 – Advisory Business, AMGF's business includes Aston, a wholly owned subsidiary of AMGF and an investment advisor registered with the SEC. Aston also serves as the

investment adviser to the Aston Funds family of mutual funds. Aston also provides mutual fund administration, marketing and other services to Aston Funds. In addition, Aston provides investment management services, generally on a discretionary basis, to separately managed accounts for high net worth individuals, institutional clients, pension or profit sharing plans, and charitable organizations. These services are generally provided under “wrap fee programs” sponsored by broker-dealers or other firms.

As previously noted, AMGF is the sole shareholder in AMG Distributors, Inc. (“AMGDI”) a broker-dealer that serves as the distributor of the Funds, the distributor of certain mutual funds sponsored by AMG Affiliates, and the placement agent for certain private funds sponsored by AMG Affiliates. As part of these arrangements, AMGF and AMGDI provide administrative, marketing and distribution support service to the AMG Affiliates for the servicing or distribution of their funds through various distribution platforms, with AMGF and/or AMGDI being compensated by these AMG Affiliates for these services. In addition, certain employees of AMGF and other AMG Affiliates that serve as subadvisors to the Funds or advisors to the other funds described above are registered representatives of AMGDI.

As noted in Item 4 – Advisory Business, AMGF provides a variety of services to AMG Affiliates. AMGF has servicing agreements with various AMG Affiliates, under which AMGF provides non-discretionary limited administrative assistance and marketing services to support the various AMG Affiliates provision of advisory services to or through various unaffiliated third-party investment programs, including wrap programs and dual contract programs sponsored by unaffiliated broker-dealers, banks, and other financial intermediaries.

As noted in Item 4 – Advisory Business, AMGF also provides access to separately managed account services through servicing agreements with various advisers, including AMG Affiliates. These agreements allow AMGF to market investment management services to unaffiliated third-party intermediaries that sponsor subadvised investment products and other platforms, such as defined contribution retirement plan platforms.

AMGF has subadvisory marketing agreements with various AMG Affiliates in which AMGF markets AMG Affiliates’ investment management services to unaffiliated third-party intermediaries that sponsor subadvised investment products and other platforms, such as defined contribution retirement plan platforms. As noted in Item 4 – Advisory Business, for this line of business the Firm does business as “AMG Distributors”.

AMGF receives a fee for the servicing and subadvisory marketing agreements maintained with AMG Affiliates as described above.

AMGF and AMGDI also enter into agreements with unaffiliated third parties regarding the Funds. These unaffiliated third parties may provide certain shareholder servicing and/or distribution support services in connection with the sale of shares of the funds, including through sponsored platforms through which the Funds are available for purchase, and in some cases, these third parties may refer clients into the funds. These third parties (and the intermediaries that sponsor platforms through which the Funds are available) may receive compensation from AMGF (or an AMG Affiliate that serves as investment adviser to the Fund) out of its own resources.

AMGF may receive administrative or servicing fees from AMG Affiliates and unaffiliated third parties whose mutual funds are offered in ManagersChoice, as further described in Item 4 – Advisory Business.

From time to time, certain AMG Affiliates may utilize the Funds for their clients. The use of the Funds will result in AMGF earning distribution and/or other fees on the investments in the Funds.

Other Financial Activities

AMGF is registered as a commodity pool operator with the Commodity Futures Trading Commission and a National Futures Association member. As previously noted, AMGF is the sole shareholder in AMGDI, which is a broker-dealer registered with the SEC and a member of FINRA. AMGDI serves as the distributor of the Funds, the distributor of certain mutual funds sponsored by AMG Affiliates. As noted above, certain employees of AMGF and certain AMG Affiliates that serve as subadvisors to the AMG Funds or are involved in the private placement of the private funds are registered representatives of AMGDI.

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

Code of Ethics

AMGF has a fiduciary duty to its clients, and accordingly has adopted a Code of Ethics (the “Code”) that applies to all employees. The Code describes the standard of conduct AMGF requires of its employees and sets forth restrictions on certain activities, including personal trading in accounts owned, managed or beneficially owned by the employee. The Code’s provisions also include requirements relating to areas such as gifts and entertainment, outside business activities, and the provision and solicitation of political and charitable contributions. By setting forth the regulatory and ethical standards to which AMGF employees must adhere, the Code supports our efforts to promote a high level of professional ethical conduct in furtherance of our fiduciary duty to our clients.

Personal Trading

Among other things, the Code limits and monitors the personal trading activity of our employees, including members of our employees’ households. These limitations seek to further AMGF’s efforts to prevent employees from personally benefiting from AMGF’s (or our Fund Subadvisors’) investment decisions for its Funds.. Specifically, the Code requires employees and certain members of their households to “pre-clear” their personal securities transactions with our Firm’s Compliance Department prior to execution, with some limited exceptions. Limitations also exist for such persons on the participation in initial public offerings and private placements. All Employees must provide AMGF with a listing of their securities holdings, as well as duplicate copies of statements and trade confirmations in either hard copy or electronic feeds with respect to their brokerage accounts. These restrictions and requirements of the Code apply to all accounts over which employees have investment discretion, or in which they have a direct or indirect beneficial ownership interest.

Participation or Interest in Client Transactions

Certain principals of AMGF and certain employees may invest their own or the Firm’s assets in funds managed by AMGF, or in funds or accounts managed by our Subadvisors. These funds

may hold, purchase, or sell the same securities in which clients have interests. AMGF generally does not buy or sell, for our own accounts, securities that AMGF or our Subadvisors have recommended to fund shareholders or their clients. AMGF also does not engage in principal trades with our clients.

In addition, due to the nature of our shareholder base, our Subadvisors may, from time to time, trade in securities issued by clients, counterparties or other business partners. In all such instances, our Subadvisors will do so in what they believe to be in the best interests of the clients, which includes the Funds, and consistent with their fiduciary duties. Our Subadvisors will not, under any circumstances, consider a security issuer's status as a client or other business partner of the firm when determining to trade in that issuer's security on behalf of other client accounts, which includes the Funds.

Insider Trading/Material Non-Public Information

All employees of AMGF are subject to AMG's Insider Trading Policy and Procedures (the "AMG Insider Trading Policy"). The AMG Insider Trading Policy broadly prohibits the use of material, non-public information, and also imposes restrictions on the trading of AMG's stock and other securities. In addition, AMGF's Code also includes policies and procedures prohibiting the use of material non-public information that are designed to prevent insider trading by an officer or employee of AMGF.

In accordance with these policies, to prevent trading of public securities based on material, non-public information, AMGF may maintain a "restricted list" that identifies any securities that cannot be purchased for employee, client, or firm-owned accounts because material, non-public information may have been received by an employee of the firm. The issuers named on this restricted list are coded as "prohibited" in AMGF's trading and portfolio compliance system, thus blocking AMGF or its employees from trading in these securities without the consent of AMGF's Chief Compliance Officer. This list is confidential and may only be disseminated to certain individuals whom Compliance deems appropriate.

Gifts and Business Entertainment

AMGF's Code includes policies and procedures regarding giving or receiving gifts and business entertainment between the Firm's employees and certain third parties (e.g., vendors, broker-dealers, consultants, etc.) to help mitigate the potential for conflicts of interest surrounding these practices. In general, AMGF limits the amount of gifts and business entertainment that may be provided by employees to these parties, and requires the pre-approval of certain items by our Compliance Department and/or select members of AMGF's Senior Management. AMGF specifically monitors for any potential conflicts of interest with respect to individual instances of gifts or business entertainment, as well as patterns of the same over time, to prevent the interests of AMGF and its employees from being placed ahead of the interests of our clients.

As noted in Item 10 - Other Financial Industry Activities and Affiliations of this Brochure, certain AMGF employees are also registered representatives of AMGDI and are subject to additional procedures and restrictions with respect to gifts and business entertainment activities.

Charitable Contributions

From time to time, AMGF may donate to charitable enterprises that are clients, are supported by advisors or their clients, and/or are supported by an individual employed by one of our advisors or their clients. In general, those donations are made in response to requests from advisors and/or their personnel and/or their clients. Members of AMGF's Senior Management team approve charitable contributions to be made by the Firm. Management may take into consideration the importance of the advisor relationship as one factor in determining whether to approve a charitable contribution.

Political Contributions

AMGF prohibits its employees from making political contributions on behalf of AMGF or to be reimbursed for personal political contributions, or from making political contributions for the purpose of securing or retaining business. AMGF maintains policies and procedures that set forth specific limitations on the amounts of such contributions, as well as preclearance and reporting requirements for certain political contributions.

Distribution of Code

AMGF is firmly committed to making our employees and clients (both current and prospective) aware of the requirements within our Code. All of our employees are provided with a copy of our Code at the time of hire and annually thereafter, and each employee must affirm that they have received a copy of the Code, and that they have read and understand its provisions. Additionally, AMGF conducts periodic compliance training that addresses the requirements of the Code and the other policies described in this Item. A copy of AMGF's Code is also available to clients or prospective clients upon request, and may be obtained by contacting AMGF's Compliance Department at the address set forth in Item 1 – Cover Page above.

Item 12 – Brokerage Practices

Brokerage Relationships

AMGF's relationships with broker-dealers, particularly those affiliated with large financial services organizations, are complex. Our Subadvisors use various broker-dealers to execute trades on behalf of clients, but AMGF may also have many other relationships with such firms. For example:

- Subadvisors to Mutual Funds may invest client assets in securities issued by broker-dealers or their affiliates.
- Certain broker-dealers may provide both internally generated and third-party research to AMGF and/or Subadvisors, as part of a bundled service, through a licensing arrangement or otherwise.
- Certain brokers-dealers may refer clients to AMGF.
- From time-to-time, AMGF may sponsor events for certain broker-dealers.
- Additionally, AMGF's sales team regularly calls on financial advisors of broker-dealers for the purpose of distributing our Funds and other services that AMGF currently offers.

Notwithstanding such relationships or business dealings with these broker-dealers, Subadvisors have a fiduciary duty to its clients to seek best execution, as noted below, when trading with these firms, and has implemented policies and procedures to monitor its efforts in this regard.

Best Execution – Selection Factors for Broker-Dealers

“Best execution” is generally understood to mean the most favorable cost or net proceeds reasonably obtainable under the circumstances. In seeking best execution, Subadvisors look for the best combination of transaction price, quality of execution (e.g., the speed of execution, the likelihood the trade will be executed, etc.), and other valuable services that an executing broker-dealer may provide.

Funds

As noted in Item 4 – Advisory Business, AMGF is the Investment Manager to the Mutual Funds. AMGF delegates the responsibility to make investment decisions for the Mutual Funds to Subadvisors in accordance with the investment guidelines outlined in the Mutual Funds’ Prospectus and SAI. The Subadvisors generally determine the individual securities and amounts to be bought or sold, the broker or dealer utilized and related commission rates. However, as Investment Manager of the Mutual Funds, AMGF has the authority in certain circumstances to request that the Subadvisors employ specific brokers who have agreed to pay certain Fund expenses in accordance with the Fund’s brokerage recapture program.

In selecting brokers or dealers to transact securities purchases or sales, the Subadvisor’s primary responsibility is to obtain the best net price and execution for the Mutual Fund. This responsibility does not obligate the Subadvisor to seek the lowest available commission cost to the Mutual Fund or to solicit competitive bids for each transaction, so long as the Subadvisor determines that the broker or dealer is able to obtain the best net price and execution on a particular transaction and that the commission cost is reasonable in relation to the total quality and reliability of the brokerage and research services made available by the broker. The Subadvisor may make this determination based on either that particular transaction or with respect to the Subadvisor’s overall responsibilities for its clients, including the Mutual Fund, notwithstanding the fact that the Mutual Fund may not be the direct or exclusive beneficiary of any services, or that another broker may be willing to charge the Mutual Fund a lower commission on the particular transaction.

When selecting brokers to execute transactions and in evaluating the best available net price and execution, a Subadvisor is generally authorized by the Mutual Funds to consider the “brokerage and research services” (as those terms are defined in Section 28(e) of the Securities Exchange Act of 1934, as amended), provided by the broker. Each Subadvisor is also generally authorized to cause a Mutual Fund to pay a commission to a broker who provides brokerage and research services for executing a portfolio transaction that is in excess of the amount of commission another broker would have charged for effecting that transaction. A Subadvisor must determine in good faith, however, that the commission was reasonable in relation to the value of the brokerage and research services provided, viewed in terms of that particular transaction or in terms of all the accounts over which a Subadvisor exercises investment discretion. Brokerage and research services received from such brokers will be in addition to, and not in lieu of, the services required to be performed by each Subadvisor.

As noted in Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss, AMGF periodically monitors and reviews each Subadvisor’s brokerage practices, including best execution. Each Subadvisor’s Form ADV provides further information on their brokerage practices and business operations.

Cross Trades

AMGF does not engage in cross trades. With respect to the Mutual Funds, Subadvisors may engage in cross trades where deemed appropriate, and in compliance with policies and procedures and are based on considerations of best execution and liquidity. Cross trades will be placed with an independent third-party brokers for execution at a pre-determined price set at the open or the close.

Soft Dollars

AMGF does not engage in soft-dollar arrangements (arrangements through which an investment adviser may direct certain transactions for execution to certain broker-dealers in recognition of brokerage and research services provided by third-party providers).

With respect to the Mutual Funds, Subadvisors may utilize soft-dollar transactions and receive proprietary research. Information regarding Subadvisor use of soft dollars and other research is available in each Subadvisor's Form ADV Part 2A, which are available at www.adviserinfo.sec.gov.

Item 13 – Review of Accounts

Funds

As noted in Item 4 – Advisory Business and Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss, AMGF monitors the composition of the Funds to which it serves as investment adviser or administrator. AMGF also oversees and reviews the management of each Fund. Investment and performance reports for the Funds are provided to the Board of Trustees or Board of Directors for the Funds at quarterly in-person meetings, which may include presentations by the Mutual Funds' Subadvisors or Advisor to the AMG Pantheon Fund. The Committees have regular interaction with the management to each Fund to discuss performance, market outlook and recent activity. Subadvisors provide a quarterly portfolio commentary shortly after quarter-end, and more frequent interaction typically occurs as well. AMGF has qualitative and quantitative systems in place to monitor each Subadvisor and can promptly contact a specific Subadvisor whenever necessary.

Asset Allocation Programs - ManagersChoice

AMGF periodically monitors the investment style allocations for the mutual funds used in the ManagersChoice program. Internal reports are generated and reviewed on each of the Mutual Funds and asset-allocation program on a periodic basis. AMGF's Investment Research, Operations, and Compliance teams are responsible for regularly reviewing the assets of the accounts under their supervision. The number of reviewers and accounts assigned to each varies depending on the nature of the product, service, or strategy.

Clients with accounts in the ManagersChoice program are managed to model portfolio allocations that are applied to each client's account as mandated in the investment management agreement. The Investment Committee reviews internal reports on a periodic basis to determine the model allocations, and at AMGF's discretion, may periodically rebalance these portfolios to maintain the appropriate weighting as indicated in the investment management agreement between the client and AMGF. The Investment Committee reviews the model portfolios, subject to any restrictions or other limitations imposed by the client.

Reporting

For both the Funds and ManagersChoice, clients generally receive quarterly account reports from independent qualified custodians, which includes the Transfer Agent for the Funds, unless they request these reports more frequently as dictated in the client's investment policy statement or investment management contract. The reports typically include:

1. Listing of holdings, including number of shares and current market value;
2. Quarterly, year-to-date, and/or since-inception time-weighted rates of return;
3. Historical statement of changes describing clients' original capital and additions of capital, together with income earned and a combination of realized and unrealized appreciation or depreciation; and
4. Purchase and sale transactions occurring during the quarter.

Periodically, AMGF may furnish additional reports concerning investment advisory accounts. Clients may receive similar information from their respective custodians or broker-dealers. Certain clients may receive additional reports as requested from time to time. As noted, the custodian statements reflect the official books and records for the accounts AMGF manages, rather than any statement provided by AMGF.

Item 14 – Client Referrals and other Compensation

Relationships with Consultants

Many of our clients and prospective clients retain investment consultants to advise them on the selection and review of investment managers. AMGF may have certain accounts that were introduced to AMGF through consultants. These consultants or their affiliates may, in the ordinary course of their investment consulting business, recommend AMGF investment advisory services, or otherwise place AMGF into searches or other selection processes for a particular client.

AMGF has extensive dealings with investment consultants, both in the consultants' role as adviser for their clients and through independent business relationships. Specifically, consultants are provided with information on portfolios that are managed for our mutual clients, pursuant to our clients' directions. AMGF also provides information on our investment styles to consultants, who use that information in connection with searches they conduct for their clients. AMGF may also respond to "Requests for Proposals" from prospective clients in connection with those searches.

Other interactions that AMGF may have with consultants include, but are not limited to, the following:

- AMGF may invite consultants to events or other entertainment hosted by the Firm.
- AMGF may, from time to time, purchase software applications, access to databases, and other products or services from some consultants.
- AMGF may pay registration or other fees for the opportunity to participate, along with other investment managers, in consultant-sponsored industry forums or conferences. These conferences or forums provide AMGF with the opportunity to discuss a broad variety of business topics with consultants, clients, and prospective clients.

In general, AMGF relies on each consultant to make appropriate disclosure to its clients of any conflict that the consultant may believe to exist due to its relationship with our firm.

Consulting Databases

AMGF may pay consultants or other third parties to include information about AMGF's investment approaches in databases that they maintain to describe the services provided by investment managers to prospective clients.

Relationships with Solicitors

For the ManagersChoice program, AMGF has solicitation agreements in certain instances in which accounts are referred to the Firm through the recommendations of third parties, including consultants, which may also be broker-dealers, or may have certain pre-existing financial arrangements or relationships with a particular broker-dealer. In addition, AMGF may from time to time buy certain services or products from third parties that are used in AMGF's investment advisory business (such as manager research services, portfolio analytics software or research publications) or pay registration or other fees toward or otherwise assist in sponsoring third parties' industry forums, seminars or conferences.

Item 15 – Custody

AMGF does not act as a custodian over the assets in the accounts we manage for our clients. As noted below, clients must make their own arrangements for custody of securities in their accounts. These custodians may be broker-dealers, banks, trust companies, or other qualified institutions. The qualified custodian will typically provide the client with at least quarterly account statements relating to the assets held within the account managed by AMGF. Each client should carefully review the qualified custodian's statement upon receipt to determine that it completely and accurately states all holdings in the client's account and all account activity over the relevant period. Any discrepancies identified by a client should be immediately reported to the client's advisor, qualified custodian or AMGF.

Funds

As noted in the offering documents for the Funds, the Funds have engaged an independent third-party custodian to provide services to the Funds, including custodial services, consistent with the requirements of the Investment Company Act of 1940. As a result, neither AMGF nor the Funds maintain custody of Fund assets, and Firm personnel have limited access to Fund assets. The qualified custodian for the Funds maintains internal controls, policies and procedures to ensure that Fund assets are not misappropriated, lost or misused in any way. The Firm has implemented processes to oversee and supervise the Funds' qualified custodian to ensure that they are effectively discharging their obligations in this regard.

AMGF and the Funds maintain various policies and procedures to ensure that the Funds' records are accurately maintained, stored and capable of retrieval, and to ensure that reports to Fund shareholders are accurate and timely and regularly reconciled with the records of the Funds' custodian. Consistent with the requirements of the Investment Company Act of 1940, the Funds provide a series of regular reports and statements to Fund shareholders.

ManagersChoice

AMGF does not maintain custody of its ManagersChoice client assets. AMGF, on behalf of the Mutual Funds maintained as part of the ManagersChoice Program, has engaged an independent third-party custodian to provide services to these Mutual Funds, including custodial services, consistent with the requirements of the Investment Company Act of 1940. As a result, neither AMGF nor the Funds maintain custody of Fund assets, and AMGF personnel have limited access to Fund assets. The qualified custodian for each of the Mutual Funds utilized in ManagersChoice maintain internal controls, policies and procedures to ensure that assets are not misappropriated, lost or misused in any way. All transactions in client accounts, including securities transactions and any cash movements, are required to be authorized by a limited group of designated individuals at AMGF, and AMGF has information-security systems in place to restrict unauthorized access.

Please note that custodian statements reflect the official books and records for the accounts AMGF manages. As such, any questions, concerns, or discrepancies may be communicated to AMGF by writing, e-mailing, or telephoning us using the contact information set forth in Item 1 – Cover Page above.

Item 16 – Investment Discretion

As noted in Item 4 – Advisory Business, AMGF has discretionary authority as manager for the Mutual Funds, and for asset allocation decisions with respect to the models in the ManagersChoice program.

Funds

As noted in Item 4 – Advisory Business, in its capacity as Investment Manager, AMGF is responsible for the overall administration of the Mutual Funds. AMGF selects and recommends, subject to approval of the Mutual Funds Board of Trustees, Subadvisors to manage the Mutual Funds. Additionally, AMGF monitors performance, security holdings and investment strategies of Subadvisors and researches any potential new Subadvisors for the Mutual Funds. As part of its role as Investment Manager, AMGF has discretion over the cash reserves segment of certain Mutual Funds.

ManagersChoice

With respect to ManagersChoice, typically clients will grant AMGF discretionary authority by executing an investment management agreement with a third party and/or separate power of attorney, which includes, among other items, a statement giving AMGF authority to invest the assets identified by the client in the ManagersChoice model selected by the client, and to engage in transactions in the mutual funds offered in the ManagersChoice program from time to time on a discretionary basis in the client account. In the case of ManagersChoice – Direct, where clients have terminated their relationship with their financial intermediary, they will execute an investment management agreement directly with AMGF, which will be responsible for investing each client's assets through the ManagersChoice program. As noted in Item 4 above, AMGF typically will be granted discretion by Financial Advisor firms, which include broker-dealers, registered investment advisers and other intermediaries in which each firm will execute an agreement with AMGF. The agreements allow AMGF to provide discretionary investment advisory services for clients of a Financial Advisor enrolled in ManagersChoice. Additionally,

the Financial Advisor or AMGF may occasionally enter into a separate agreement with a client pursuant to which client authorizes AMGF to manage client's accounts on a discretionary basis.

Item 17 – Voting Client Securities

Voting Agent

Currently, AMGF does not maintain client accounts that require the Firm to vote securities. If there are situations where AMGF is required to vote, AMGF would contract with an independent third-party proxy voting and corporate governance services provider ("proxy agent"), to provide research on corporate governance issues and corporate actions, make proxy vote recommendations, and handle the administrative functions associated with voting client proxies. While the proxy agent makes the proxy vote recommendations, AMGF retains the ultimate authority to decide how to vote in instances where AMGF has proxy-voting authority. AMGF, as a general matter, votes in accordance with recommendations of the proxy agent, though AMGF retains the right to determine the vote on a particular proxy. In any instance where a conflict of interest arises, AMGF will vote in accordance with the proxy agent's recommendations, foregoing its right to veto such recommendations.

The Funds maintain separate proxy voting policies and procedures with respect to proxy voting for the Funds, as described further below.

Proxy Voting - Mutual Funds

For the Mutual Funds, AMGF generally delegates proxy-voting authority to each Subadvisor. Proxies are voted in accordance with the proxy voting policies and procedures of the Subadvisor responsible for managing the portion of the Mutual Fund's assets that includes the security with respect to which a proxy is solicited. For proxies related to shares of an unaffiliated money market fund used as a cash management vehicle, AMGF typically votes the proxy as recommended by the cash management vehicle's directors.

Descriptions of each Subadvisor's proxy voting policies and procedures are set forth in the respective Fund's SAI. Each Fund's proxy voting record is available on the SEC's website at <http://www.sec.gov/investor/pubs/mfproxyvoting.htm>. or our website at www.amgfunds.com.

If you would like a copy of AMGF's Proxy Policy, if you would like to review how AMGF voted on a particular security in your account, or if you would like further information on the proxy agent's proxy voting policy guidelines, please contact AMGF's Compliance Department by writing, e-mailing, or telephoning us using the contact information set forth in Item 1 – Cover Page above.

Item 18 – Financial Information

AMGF has no financial condition that impairs our ability to meet our contractual and fiduciary commitments to our clients, and AMGF has not been the subject of a bankruptcy proceeding.

Supplemental Information

AMG Funds LLC – PRIVACY NOTICE

Collection and Use of Client Information

AMG Funds LLC and its affiliated businesses, AMG Distributors, Inc. and the AMG Funds family of mutual funds, (collectively, “AMGF” or “We”) collect only relevant information about our clients that the law allows or requires us to have in order to conduct our business and properly service our accounts. We collect financial and other nonpublic personal information about our clients from the following sources:

- Directly provided by our clients from investment management contracts and other forms; and
- Information provided to us by authorized parties acting on behalf of our clients such as accountants, attorneys and investment consultants.

Keeping Information Secure

AMGF maintains physical, electronic and procedural safeguards and procedures to protect your financial and other nonpublic personal information, and AMGF continuously strives to improve these safeguards and procedures.

Limiting Access to Information

All of AMGF’s employees are aware of the importance of maintaining and respecting customer privacy and to recognize the importance of confidentiality. Violations of AMGF’s privacy policies may result in disciplinary action.

Accuracy of Information

AMGF strives to keep accurate client information records and AMGF takes steps to correct errors as they are found. If there are any inaccuracies in your account statements or in any other communications from AMGF, please contact us immediately and the necessary corrections will be made.

Use of Personal and Financial Information by Us and Third Parties

Information about AMGF’s clients that is in the firm’s possession is shared with non-affiliated third parties only to the extent necessary for AMGF to provide the services for which our clients have hired us, and then only to the extent permitted by law.

AMGF typically does not share nonpublic client information with unaffiliated third parties other than as necessary to carry out the actual performance of the investment management services it has been hired to provide. Thus, for example, AMGF will share nonpublic client information with brokers and custodian banks in order to buy and sell securities and record those purchases and sales accurately.

AMGF may also use such information in the account intake process, which typically includes conducting anti-money laundering screening. As a general rule, AMGF does not engage in joint marketing arrangements with unaffiliated third parties that involve the sharing of nonpublic

information regarding AMGF's' clients, nor does it sell client information to unaffiliated third parties for their own marketing purposes. Any exceptions to these practices are made only with the permission of the particular client for the sharing of information with identified third parties or as otherwise required by law.

As a subsidiary of Affiliated Managers Group, Inc. ("AMG"), AMGF also shares with AMG (and certain authorized AMG Affiliates, as applicable) information about AMGF's experiences or transactions with customers or their accounts. AMG and the AMG Affiliates abide by a "No Share" policy whereby this information is not shared with unaffiliated third parties. In certain situations where information is being shared with an AMG Affiliate, AMGF has either a "Limited Authorization Form" in place or confidentiality agreements to cover any access to information and limits the sharing of information to that which is referenced in these agreements.

Maintaining Customer Privacy in Business Relationships

AMGF does not share client information with anyone who does not agree to keep such information confidential. If you believe AMGF has shared your information inappropriately or for questions concerning our policy, please contact AMGF's Compliance Department by using the contact information set forth in Item 1 – Cover Page above.

Privacy Policy Concerning Other Persons

During the routine course of business, AMGF may also obtain nonpublic personal information from persons other than customers. AMGF's policy is to protect such nonpublic personal information by employing physical, electronic and information destruction safeguards. AMGF limits access to such nonpublic personal information, including social security numbers, to only those individuals who need such information to execute their employment duties or to comply with applicable law or regulation. Any other use, access or distribution of nonpublic personal information obtained by AMGF is prohibited.