



Form ADV Part 2A – Disclosure Brochure

March 31, 2020

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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.

We have updated our Form ADV Part 2B to reflect changes to our Investment Committee.

In addition to changes noted above, 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 Affiliated Managers Group, Inc. (“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 complex of funds (the “Funds”), which includes the AMG Funds family of mutual funds (the “Mutual Funds”) and the AMG Pantheon Fund, LLC and AMG Pantheon Master Fund, LLC (the “AMG Pantheon Funds”), and other investment strategies managed by certain investment advisers that serve as subadvisers to the Mutual Funds (each, a “Subadviser”), including AMG Affiliates.

AMGF is the Investment Manager, 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 advisers, and other financial intermediaries, or directly with the Funds.

AMGF provides investment management services, generally on a discretionary basis, to separately managed accounts, primarily under “wrap fee programs” sponsored by broker-dealers or other firms, using model portfolios provided by Subadvisers, as more fully described below.

AMGF currently has approximately 86 employees in offices in Greenwich, CT and Conshohocken, PA.

Assets Under Management

As of December 31, 2019, AMGF managed approximately \$26.9 billion in client assets. 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 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.

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.

AMGF is responsible for selecting Subadvisers 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 AMG Affiliates through its Mutual Funds. Additionally, AMGF offers complementary Mutual Funds managed by unaffiliated Subadvisers.

AMGF generally does not research or select the specific portfolio securities purchased by the Mutual Funds. Each Subadviser 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 Subadvisers' activities are subject to AMGF's general oversight, the Firm does not evaluate the investment merits of the Subadvisers' individual investment selections. AMGF reviews the overall structuring of each Mutual Fund's portfolio, monitors the performance of the Subadvisers 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 Subadvisers 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 Subadvisers; computer databases concerning investment results of Subadvisers obtained by AMGF; reviews of publicly available information contained in the financial press and other sources; Subadviser-prepared information; and research and statistical materials prepared by other third parties. AMGF monitors all of the Mutual Funds' Subadvisers through an ongoing quantitative and qualitative evaluation of each Subadviser's skills in managing assets subject to specific investment styles and strategies and periodically reports its findings to the Mutual Funds' Board of Trustees.

Any recommendation by AMGF to hire or terminate a Subadviser 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 Subadvisers for the Mutual Funds without prior shareholder approval, subject to shareholder notification within 90 days of the hiring of such Subadviser.

Additional information regarding the activities and operations of the Funds is described in each Fund's Prospectus and Statement of Additional Information ("SAI"), available on AMGF's website at www.amgfunds.com.

Wrap Fee Programs and Other Separately Managed Accounts

AMGF 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, using model portfolios provided by certain Subadvisers, including AMG Affiliates. Advisory services provided by, and related fees paid to, AMGF vary depending upon the nature of the account under management.

As described in Item 5, AMGF receives a management fee in connection with accounts that are invested directly with AMGF. For separately managed accounts, including wrap fee programs, AMGF currently uses model portfolios provided by certain Subadvisers to the Mutual Funds, which include AMG Affiliates. Model portfolios provided by certain Subadvisers may have substantially the same portfolio contents as the Mutual Funds that are advised by the Subadvisers. Each Subadviser designs, monitors and updates the model portfolio(s) on a continuous basis for AMGF. AMGF updates each model portfolio from time to time as such portfolio is updated by the respective Subadviser. Subadvisers have no discretion over client assets under AMGF's model portfolio program. Because AMGF provides investment advisory services to wrap fee programs, AMGF generally does not customize its advisory services to the individual needs of underlying clients investing through such programs. However, clients may impose restrictions on investing in certain securities. AMGF compensates the Subadvisers for their services. While the fees charged with respect to a separately managed account, including a wrap fee program, are not directly comparable to a mutual fund, if a client chooses AMGF as adviser under a separately managed account (and with respect to a wrap fee program, depending on the fees charged by the wrap fee program sponsor), clients may pay more or less than if the client had invested in the Mutual Funds directly.

“Wrap fee programs,” “wrap arrangements,” and/or “wrap fee accounts” involve individually-managed accounts for individual or institutional clients. The wrap fee accounts are offered as part of a larger program by a “sponsor,” usually a brokerage, banking or investment advisory firm, and managed by one or more investment advisers. AMGF has agreements with various wrap fee program sponsors through which AMGF's services are offered as an investment option within the wrap fee program and, accordingly, AMGF provides investment management services to those clients who select AMGF as part of the program. The wrap fee program sponsor is the client's primary contact and works with the client to develop and update investment guidelines as needed and determine the amount to allocate to AMGF for management. Under a wrap fee program, the sponsor generally will pay the management fees on behalf of the client, execute the client's portfolio transactions without separate commission charges, monitor AMGF's performance, and arrange for custody, or provide some combination of these services, all for a single fee. The wrap fee sponsor will also provide reports to clients. In effecting transactions for wrap fee account clients, AMGF does not negotiate brokerage commissions. Transactions are effected “net” and a portion of the wrap fee will usually be considered to be in place of commissions. Because commissions are a part of the wrap fee, AMGF is effectively directed to execute virtually all trades with the wrap broker. Certain programs permit AMGF to use broker-dealers other than the wrap broker based on execution considerations, including the supply of, and demand for, a particular security. In such cases, clients may incur transaction fees imposed by the executing broker-dealer, in addition to the wrap fees normally payable. AMGF considers such fees and charges prior to placing orders away from the wrap broker. Clients who enroll in these programs should satisfy themselves that the sponsor is able to provide best price and execution of transactions. As described in Item 5, the sponsor typically pays a portion of its program fee to AMGF for its services. For specific information on a particular wrap fee program, please refer to the particular sponsor's Form ADV Part 2A, Appendix 1, available on the SEC's website at www.adviserinfo.sec.gov.

Other Services

In addition to the advisory services provided by AMGF, the Firm has servicing agreements with certain AMG Affiliates and unaffiliated Subadvisers, 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 may also compensate certain AMG Affiliates that serve as Subadvisers to the Mutual Funds, from its assets, for portfolio marketing support, client and intermediary relationship support and other services as agreed upon from time to time.

AMGF also has entered into agreements with certain AMG Affiliates, under which AMGF markets the AMG Affiliates' advisory services to sponsors of subadvised funds, institutional clients, 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 does business as "AMG Distributors".

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. 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 subadvisers to the Funds or advisers to the other funds described above are registered representatives of AMGDI.

As noted above, 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 service contracts, 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 an investment advisory 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:

- Exchange fees (fees charged for transferring to another fund within the same fund group);
- Account fees (account maintenance fees); and

Annual fund operating expenses 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. 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 Mutual Funds, including a description of the services provided and advisory and other fees, can be found in each Mutual Fund's Prospectus and SAI at www.amgfunds.com.

The overall management fee charged to the Mutual Funds is computed daily as a percentage of the average net assets of the Mutual Fund and may be paid monthly or quarterly. AMGF retains a portion of the overall management fee as compensation for its services as Investment Manager and the remainder of the management fee is paid to the Mutual Funds' Subadvisers. The fee paid to each of the Subadvisers 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 are shown in the Prospectus and SAI for the Mutual Funds. Shares of certain share classes of the Mutual Funds purchased through a financial intermediary may be subject to additional commissions levied by such intermediary and not reflected in the Prospectus and SAI.

Wrap Fee Programs and Other Separately Managed Accounts

Management fees for separately managed accounts, including wrap fee programs, vary. The fees that are payable by the client are usually set out in the contract between the client and the sponsor of the investment program. While the management fees charged by a separately managed account are not directly comparable to a mutual fund, if clients chose AMGF as adviser under a separately managed account, including a wrap fee program, clients may pay more or less than if the client had invested in the Mutual Funds directly.

Fees for advisory services for separately managed accounts are generally billed separately either monthly or quarterly, in advance or in arrears, and are prorated to the date of termination if the

client terminates his or her relationship with AMGF. AMGF does not directly deduct its fees from client accounts. Upon account termination, any unearned fees paid in advance will be refunded to the client. Fees are also prorated at the inception of the investment advisory agreement to cover only the period of time the account assets were under management.

For general information with respect to wrap fee programs, please see also Item 4 – Advisory Business. Clients in wrap fee programs generally pay the wrap program sponsor a single fee (called a “wrap fee”) for consulting, brokerage, custodial, portfolio monitoring, and investment management services. The fees paid by clients for investing in a wrap fee account are set by the sponsor, and are generally disclosed in the sponsor’s contract established with each client. With regard to wrap fee program accounts, the all-inclusive fee may exceed the aggregate cost of the services provided if such services were negotiated and purchased separately, depending on:

- The level of the all-inclusive fee;
- The amount of trading activity in a client’s account;
- The cost of brokerage commissions;
- The value of any other services rendered to the client; and
- Other factors.

For detailed information on the wrap fees charged by a particular wrap fee program sponsor, please refer to the sponsor’s Form ADV Part 2A, Appendix 1, available on the SEC’s website at www.adviserinfo.sec.gov.

Additional Fees and Expenses

AMGF fees do not include brokerage commissions, transaction fees, service provider fees, and other related costs and expenses that wrap fee program clients or Fund shareholders will incur. Fund shareholders will typically pay a brokerage commission for transaction execution. Investment activity by AMGF, a Fund subadviser or an adviser whose investment strategies are serviced and offered by AMGF may also involve other transaction fees payable by wrap fee program 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.

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 shareholders of one Mutual Fund. Such fulcrum fee, which is 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 Subadviser's policies and procedures related to allocation of investment opportunities, which includes side-by-side management.

Mutual Funds

As noted above, the Mutual Funds' Subadvisers 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 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 and, in certain limited circumstances described above, to wrap program clients. AMGF provides services to a wide array of clients, 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 advisers, and other financial intermediaries, or directly with the Mutual Funds.

Conditions for Managing Accounts

AMGF provides services to the Mutual Funds and wrap fee programs described in Item 4 – Advisory Business. The wrap programs may have a minimum dollar value of assets and other conditions for starting or maintaining an account that are generally determined by the particular wrap program sponsor. The conditions for managing accounts vary and are subject to change and are included in the relevant Fund or wrap fee 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 Investment Manager, 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. The Firm also provides investment management services for wrap fee programs sponsored by unaffiliated third parties.

AMGF's Investment Committee (the "Committee") comprises members of executive management and members of its Investment Research team. The Committee oversees the Firm's investment products and strategies. The Committee meets on a periodic basis and is 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 Committee also makes recommendations to the Mutual Funds' Board of Trustees regarding the hiring and replacement of Subadvisers for the Mutual Funds. The Committee also reviews the AMG Pantheon Funds for effectiveness and continuing appropriateness. In addition, the Committee is responsible for overseeing the investment management services provided by the Firm under wrap fee programs.

In addition to the Committee, AMGF's Investment Research team is responsible for the search, selection and monitoring process with respect to Subadvisers for the Mutual Funds. The Investment Research team conducts regular due diligence on existing Subadvisers as well as prospective Subadvisers, and makes recommendations to the Committee regarding the hiring and terminating of Subadvisers. As part of the evaluation and due diligence process, the Investment Research team evaluates Subadvisers 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 Subadvisers with a focus on items such as regulatory and legal issues, portfolio management policies, compliance staffing and policies, 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 Committee and to the Investment Research team, so that the Committee and Investment Research team can consider these reports in the search, selection and monitoring process described above.

Each 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 Subadvisers 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 Fund is contained in the Fund's offering documents.

The main sources of information AMGF uses include, but are not limited to, quantitative data provided by third-party vendors, financial newspapers, magazines and web sites, research materials and reviews of our Mutual Funds and/or Subadvisers 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 Subadviser, including discussions of performance, market outlook and recent trade activity, provide further information. Conference calls are generally conducted on a quarterly basis with each Subadviser, while ad hoc calls and meetings may occur more frequently as a result of our ongoing monitoring efforts.

Certain Risks

The Funds and the model portfolios AMGF offers carry different levels of risk. 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 investment adviser to wrap fee programs, there is the risk that AMGF's search, selection and monitoring process may not identify Mutual Funds or Subadvisers that are able to successfully achieve the investment objectives of a particular Mutual Fund or model portfolio, whether at the outset of a relationship with a particular Subadviser and/or during the course of AMGF's relationship with the Subadviser.

With respect to the individual holdings in the Funds, there are additional risks associated with holdings of specific securities. Model portfolios are provided to AMGF by Subadvisers and they will likely have substantially similar portfolio contents as the Funds advised by the respective Subadvisers; therefore, the risks identified herein with respect to investments in the Funds are also applicable to investments through wrap fee programs and other separately managed accounts. 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.
- **Cyber Security Risk** – the risks may include deliberate attacks or unintentional events and are not limited to gaining unauthorized access to systems, and misappropriating assets or sensitive information, such as personal identifiable information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of

applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

- 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. Risks 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.
- Leverage risk – The use of leverage in an investment can magnify relatively small market movements into relatively larger losses for the investment.
- 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 incur losses or 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, errors or limitations in such analyses and/or models could affect the strategy's performance or 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.

- **Fund of Funds Risk** – A fund of funds is subject to the risks of any underlying fund in which the Fund invests. There are expenses associated with the underlying funds in addition to the Fund's expenses.
- **Covered Calls Risk** - By selling covered call options, a fund or account limits its opportunity to profit from an increase in the price of the underlying stock above the exercise price, but continues to bear the risk of a decline in the value of the underlying stock. A liquid market may not exist for options. If the fund or account is not able to close out an options transaction, it will not be able to sell the underlying security until the option expires or is exercised. While the fund or account receives premiums for writing the call options, the price it realizes from the exercise of an option could be substantially below a stock's current market price. Premiums from the sale of call options typically will result in short-term capital gain taxes, making it ill-suited for investors seeking a tax efficient investment.
- **Quantitative Model Risk** – When a fund's Subadviser employs a quantitative model in managing the fund, if a model or information and data supplied by third parties used in managing the fund contains an error, or is incorrect or incomplete, any investment decision made in reliance on the model or data may not produce the desired results and the fund may realize losses. In addition, any hedging based on a faulty model or data may prove to be unsuccessful.
- **ESG Investing Risk** — Because applying a fund's ESG investment criteria may result in the selection or exclusion of securities of certain issuers for reasons other than performance, a fund's investment returns may underperform funds that do not utilize an ESG investment strategy. The application of this strategy may affect a fund's exposure to certain companies, sectors, regions, countries or types of investments, which could negatively impact a fund's performance depending on whether such investments are in or out of favor. Applying ESG criteria to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by a Subadviser or any judgment exercised by a Subadviser will reflect the beliefs or values of any particular investor. Socially responsible norms differ by region and industry, and a company's ESG practices or a Subadviser's assessment of a company's ESG practices may change over time.

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 they often have greater price volatility, lower trading volume and less liquidity. Small- and mid-cap companies may have smaller revenue, narrower product lines, less management depth and experience, small market share, fewer financial resources and less competitive strength than larger companies.
- **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.

- Dividend Payment Risk - An issuer of a security may be unwilling or unable to pay income on a security. Common stocks do not assure dividend payments and are paid only when declared by an issuer's board of directors.
- Commodities Risk - Investments in commodities are subject to greater volatility than investments in traditional securities, such as stocks and bonds. Commodities are subject to risks, including but not limited to climate conditions, livestock disease, war, terrorism, political conflicts, interest rates, currency fluctuations, embargoes, tariffs and other regulatory developments.

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.
- Debt Securities Risk – the value of a debt security changes in response to various factors, including, for example, market-related factors, such as changes in interest rates or changes in the actual or perceived ability of an issuer to meet its obligations. Investments in debt securities are subject to, among other risks, credit risk, interest rate risk, extension risk, prepayment risk and liquidity risk.
- Counterparty Risk – risk that each party in a contract will not meet its obligations. An issuer of bonds or other debt securities may be unable or unwilling, or may be perceived as unable or unwilling, to make timely interest, principal or settlement payments or otherwise honor its obligations.
- Credit Risk – the potential loss that an investor would incur if the counterparties failed to perform to the terms of their obligations. The risk of default is present not only for companies, but also for states, cities, counties, and political subdivisions thereof that issue bonds or other debt securities. 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.

- **Default Risk** – Risk that a fund holds securities in which the issuer of the security may default or otherwise be unable to honor a financial obligation. The Fund holds securities rated below investment grade that are especially susceptible to this risk. These issuers may be involved in bankruptcy proceedings, reorganizations or financial restructurings and are not as strong financially as higher-rated securities.
- **Bank Loans Risk** - Bank loans are subject to the credit risk of nonpayment of principal or interest.

Derivatives Risks

- ETNs, options, swaps, futures, forwards and other derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, interest rate or index.
- The use of derivatives will involve costs, the risk that the value of derivatives may not correlate perfectly with their underlying assets, rates or indices, 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 counterparty may fail to honor its contract terms, causing a loss for the Fund.
- Government regulation of derivative instruments may limit or prevent a fund from using such instruments as part of its investment strategies or result in materially increased costs in using such instruments, which could adversely affect the fund.

Alternative Investments Risks

- Alternative investments are speculative, subject to high return volatility and involve aggressive investment techniques and a high degree of risk including, but not limited to, the risks associated with leverage, derivative instruments such as options and futures, commodities, and distressed securities may be illiquid on a long term basis and short sales.
- There can be no assurance that these types of strategies will achieve their objectives or avoid substantial losses.

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.

The success of client account investments will be affected by general economic and market conditions where Adviser and third-party managers have a lack of control, such as, but not limited to, interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barrier, currency fluctuations and controls, national and international political circumstances and force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of infectious disease, pandemic or any other serious public health concern, war, terrorism, etc.).

Additional risks may be found in each applicable Fund's Prospectus and SAI, which are available at www.amgfunds.com, and in each Subadviser's Form ADV Part 2A, which is 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. Each of the other AMG Affiliates is operated autonomously and independently. As described in this Brochure, AMGF has business dealings with several of these AMG 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 Mutual Fund's Prospectus and SAI, the Mutual Funds pay AMGF advisory fees, and AMGF pays the Subadvisers (including Subadvisers that are AMG Affiliates) subadvisory fees for the Mutual Funds they manage.

As previously noted, AMGF is the sole shareholder in 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 services 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 subadvisers to the Mutual Funds or advisers 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 and certain Subadvisers, under which AMGF provides non-discretionary limited administrative assistance and marketing services

to support the various Subadvisers' 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 AMG Affiliates and unaffiliated Subadvisers. 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 agreements with various AMG Affiliates, in which AMGF markets AMG Affiliates' investment management services to unaffiliated third-party intermediaries that sponsor subadvised investment products, institutional clients 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 agreements maintained with AMG Affiliates and certain Subadvisers as described above.

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

From time to time, certain AMG Affiliates utilize the Funds for their clients. The use of the Funds will result in AMGF or AMGDI earning management, 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 is 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, and the distributor of certain mutual funds sponsored by AMG Affiliates. As noted above, certain employees of AMGF and certain AMG Affiliates that serve as Subadvisers 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 Mutual Fund Subadvisers') investment decisions for its Funds or other accounts. Specifically, the Code prohibits employees and certain members of their households from making direct personal investments in publicly-traded securities for accounts over which they exercise control or receive direct or indirect benefit from investments in securities, which includes stocks, bonds and derivatives on these instruments, with limited exceptions. Limitations also exist for such persons on the participation in initial public offerings and private placements. Upon hire and annually thereafter, 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 other funds or accounts managed by our Subadvisers. 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 Subadvisers recommends 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 business, our Subadvisers, from time to time, trade in securities issued by clients, counterparties or other business partners. In all such instances, our Subadvisers will do so in what they believe to be in the best interests of the clients, which includes the Mutual Funds, and consistent with their fiduciary duties. Our Subadvisers 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 Mutual 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 maintains 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.

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 political 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 initial compliance training for all new employees and annual compliance training for all employees 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 does not select any broker dealers for any of its investment activities. Nevertheless, AMGF’s relationships with broker-dealers, particularly those affiliated with large financial services organizations, are complex. Our Subadvisers use various broker-dealers to execute trades

on behalf of clients, but AMGF may also have many other relationships with such firms. For example:

- Subadvisers to Mutual Funds invest client assets in securities issued by broker-dealers or their affiliates.
- AMGF provides investment advisory services under wrap fee programs sponsored by broker-dealers or their affiliates.
- Certain broker-dealers provide both internally generated and third-party research to AMGF and/or Subadvisers, as part of a bundled service, through a licensing arrangement or otherwise.
- Certain brokers-dealers refer clients to AMGF.
- From time-to-time, AMGF sponsors 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, Subadvisers have a fiduciary duty to their clients to seek best execution, as noted below, when trading with these firms, and have implemented policies and procedures to monitor their 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, Subadvisers 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.

Trade Aggregation

The Subadvisers who perform trading for AMGF's clients may aggregate orders if aggregation is in the best interests of each participating client. Completed trades are allocated between participating accounts in a fair and equitable manner. Orders for a model portfolio are not aggregated with other accounts or Funds managed directly by the Subadviser, and generally they are placed after orders for the Funds. For additional information regarding the brokerage practices of a Subadviser, including its practices with respect to trade aggregation, please see the Subadviser's Form ADV Part 2A, Item 12, available on the SEC's website at www.adviserinfo.sec.gov.

Mutual 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 Subadvisers in accordance with the investment guidelines outlined in the Mutual Fund Prospectus and SAI. The Subadvisers generally determine the individual securities and amounts to be bought or sold, the broker or dealer utilized and related commission rates.

In selecting brokers or dealers to transact securities purchases or sales, the Subadviser's primary responsibility is to obtain the best net price and execution for the Mutual Fund. This responsibility does not obligate the Subadviser to seek the lowest available commission cost to the Mutual Fund or to solicit competitive bids for each transaction, so long as the Subadviser 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 Subadviser may make this determination based on either that particular transaction or with respect to the Subadviser'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 Subadviser 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 Subadviser 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 Subadviser 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 Subadviser 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 Subadviser.

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

Wrap Fee Programs and Other Separately Managed Accounts

All actions taken with respect to separately managed accounts, including wrap fee programs, adhere to the written client investment policy statements (i.e. guidelines) for the client account. Wrap fee programs are designed generally to direct AMGF to execute virtually all trades with the wrap broker.

When engaged to provide investment advisory services to wrap fee and other separately managed account programs, AMGF engages a third-party service provider to execute transactions with broker-dealers and perform certain back office functions pursuant to standing or specific instructions. When using a model portfolio provided by a Subadviser, the Subadviser communicates transactions directly to the third-party service provider. The third-party service provider then prepares the order based on the instruction. The third-party service provider rotates AMGF's orders among all sponsored programs. Subadvisers may recommend changes to a model portfolio that involve corresponding purchases and sales for a Mutual Fund they subadvise. As discussed above, orders for a model portfolio are not aggregated with other accounts and Mutual Funds managed directly by the Subadviser, and generally they are placed after orders for the Mutual Funds. Orders for model portfolios typically are placed with the wrap fee program sponsor. As a result, clients may receive a less favorable transaction price than that received by AMGF's other clients for the same securities.

Separately Managed Accounts - Directed Brokerage

With respect to separately managed accounts, including wrap fee programs, typically, a client directs AMGF, in writing, to conduct a portion of its security transactions with designated brokerage firms. In such case, AMGF is not obligated, and generally will not, solicit competitive bids for each transaction or seek the lowest commission rates for the client, as the commission rates have typically been pre-negotiated between the client and the designated broker-dealer (“directed broker”). Therefore, AMGF may not be able to obtain volume discounts or aggregate directed orders with non-directed orders, so the commission rate charged by the directed broker may be higher than what AMGF could receive from another broker-dealer. In addition, the client may not be able to participate in the allocation of a security of limited availability (such as an initial public offering). Furthermore, under these circumstances, a disparity in commission charges may exist between those charges to clients who direct an investment adviser, including AMGF, to use a particular broker-dealer (other than those clients who chose a wrap fee, which includes commissions) and charges to clients who leave the selection of a broker-dealer to the discretion of the investment adviser. Accordingly, clients who direct commissions to specified broker-dealers may not generate returns equal to clients who do not direct commissions. Clients who direct brokerage should understand that similar brokerage services may be obtained from other broker-dealers at lower costs and possibly with more favorable execution. AMGF reserves the right to reject or limit client requests for directed brokerage, and clients may be charged a premium for such arrangements.

AMGF monitors trading activity and is responsible for working with its back-office service provider to resolve any trade errors. AMGF or the back-office service provider, as applicable, is responsible for any client loss resulting from a trade error.

Cross Trades

AMGF does not engage in cross trades. With respect to the Mutual Funds, Subadvisers may engage in cross trades when deemed appropriate and in compliance with policies and procedures and based on considerations of best execution and liquidity. Cross trades will be placed with 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 directs 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, Subadvisers may utilize soft-dollar transactions and receive proprietary research. Information regarding Subadviser use of soft dollars and other research is available in each Subadviser’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 Manager 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 include presentations by selected Mutual Funds' Subadvisers or Adviser to the AMG Pantheon Funds. Members of the Committee have regular interaction with the management of each Fund to discuss performance, market outlook and recent activity. Subadvisers 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 Subadviser and can promptly contact a specific Subadviser whenever necessary.

Reporting

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

Separately Managed Accounts, Including Wrap Fee Programs

For wrap fee and other separately managed account programs, the program sponsor performs initial reviews of each client's objectives, chosen investment strategy, investment restrictions and other factors, as applicable. AMGF acts in a supervisory role and accepts accounts only after the accounts were reviewed by the program sponsor. Client accounts are rebalanced when holdings deviate from the model portfolio selected by more than specified weightings. AMGF uses a third-party service provider to review exception reports and deviations from the model portfolio. AMGF holds periodic meetings to discuss AMGF's separately managed accounts business, including account performance. In addition to periodic meetings, the performance of all separately managed accounts is reviewed to compare individual account performance with the composite, on a monthly basis. Finally, the separately managed accounts are reviewed upon the occurrence of certain events, including significant performance dispersion and trade errors.

The wrap fee program sponsors are responsible for contacting their wrap fee account clients, as provided in the agreement between the wrap fee client and the program sponsor, to confirm whether there have been any changes in the client's financial situation and investment objectives, and to provide the client with the opportunity to add or change investment restrictions. AMGF has no control over the process employed by a program sponsor to monitor a client's financial situation, investment objectives and investment restrictions. Typically, representatives of the wrap

fee program sponsor participate in client meetings, not AMGF representatives. Wrap fee program clients receive reports from the wrap fee program sponsor on a quarterly basis. Generally, the reports list account holdings, the value of the account at the beginning and end of each period, all executed transactions, all contributions and withdrawals, and any fees or expenses charged to the account. For more information regarding reports provided to wrap fee program clients, please see the particular wrap fee program sponsor's Form ADV Part 2A, Appendix 1, available on the SEC's website at www.adviserinfo.sec.gov.

In the case of separately managed accounts other than wrap fee program accounts, the particular client's custodian provides written periodic reports to the client.

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 also responds 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 invites consultants to events or other entertainment hosted by the Firm.
- AMGF, from time to time, purchases software applications, access to databases, and other products or services from some consultants.
- AMGF pays 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

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.

Please note that custodian statements reflect the official books and records for the accounts AMGF manages. As such, any questions, concerns, or discrepancies should 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.

Mutual Funds

As noted in Item 4 – Advisory Business, in its capacity as Investment Manager and Administrator, AMGF is responsible for the provision of investment advisory services to and overall administration of, the Mutual Funds. AMGF selects and recommends, subject to approval of the Mutual Funds Board of Trustees, Subadvisers to manage the Mutual Funds. Additionally, AMGF

monitors performance, security holdings and investment strategies of the Subadvisers and researches any potential new Subadvisers for the Mutual Funds. As part of its role as Investment Manager, AMGF has discretion over the cash reserves segment of certain Mutual Funds.

Wrap Fee Programs and Other Separately Managed Accounts

AMGF is typically granted discretionary authority by a client at the outset of an advisory relationship to determine the identity and amount of securities to be bought or sold in a portfolio. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts of securities for purchase or sale, AMGF observes the investment policies, limitations and restrictions that are applicable to client accounts, as communicated by clients. Any investment guidelines and restrictions, including amendments, must be provided to AMGF by clients in writing. A client will grant AMGF discretionary authority by executing an investment management agreement, which includes, among other items, a statement giving AMGF full authority to invest the assets identified by the client in a manner consistent with the investment objectives and limitations delineated by the client, and to engage in transactions on a discretionary basis in the client account.

AMGF is not obligated to, and typically does not, take any legal action with regard to class action suits relating to securities purchased by AMGF for its clients. AMGF provides instructions to custodians and brokers regarding tender offers and rights offerings for securities in client accounts. However, AMGF does not provide legal advice to clients, and accordingly, does not determine whether a client should join, opt out of or otherwise submit a claim with respect to any legal proceedings, including bankruptcies and class actions, involving securities held or previously held by a client. AMGF generally does not have authority to submit claims or elections on behalf of clients in legal proceedings. Should a client, however, wish to retain legal counsel and/or take action regarding any class action suit proceeding, AMGF will provide the client or the client's legal counsel with information that may be needed upon the client's reasonable request.

Item 17 – Voting Client Securities

Voting Agent

Generally, AMGF does not maintain client accounts that require the Firm to vote securities. In situations where AMGF is required to vote, AMGF contracts 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 override 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 Subadviser. Proxies are voted in accordance with the proxy voting policies and procedures of the Subadviser 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, the proxy is voted as recommended by the cash management vehicle's directors.

Descriptions of each Subadviser's proxy voting policies and procedures are set forth in the respective Mutual 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 Voting 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.

General Data Protection Regulation

In addition to U.S Privacy regulations, AMGF, as part of AMG's global distribution offices, is also subject to the European Union's General Data Protection Regulation 2016/679 ("GDPR"). AMGF has adopted AMG's General Data Protection Regulation Policy, as AMG and AMGF are committed to protecting the privacy of those who share their GDPR Personal Data with us. AMG maintains a GDPR Privacy Notice that is available at www.amg.com, which summarizes the standards AMG and its global distribution offices, including AMGF, will apply in relation to GDPR Personal Data.