

Brave Warrior Advisors, LLC

Part 2A of Form ADV

The Brochure

Item 1 – Cover Page

12 East 49th Street
New York, NY 10017

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This brochure provides information about the qualifications and business practices of Brave Warrior Advisors, LLC (“Brave Warrior” or the “Advisor”). If you have any questions about the contents of this brochure, please contact us at 212-421-9760. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Brave Warrior is also available on the SEC’s website at:
www.adviserinfo.sec.gov.

Item 2 - Summary of Material Changes

This Brochure updates Brave Warrior’s annual amendment dated March 2021 to reflect a change in Brave Warrior’s status from sub-adviser to adviser for Private Fund Clients formerly sub-advised by Brave Warrior on behalf of Arlington Value Capital, LLC. This updated Brochure reflects the related material changes that occurred when Brave Warrior became the Private Funds’ Advisor as well as other changes that occurred to the information contained in the prior version. The following Brochure items were updated to show Brave Warrior’s change in status to Advisor for the Private Funds as well as other noted changes:

- Item 4: Advisory Business was also updated to reflect the currently managed Brave Warrior Clients and current Regulatory Assets Under Management.
- Item 5: Fees and Compensation
- Item 6: Performance Based Fees and Side-by-Side Management
- Item 8: Methods of Analysis, Investment Strategies and Risk of Loss
- Item 10: Other Financial Industry Activities and Affiliations
- Item 12: Brokerage Practices
- Item 13: Review of Accounts
- Item 14: Client Referrals and Other Compensation was updated to also reflect information relative a placement agent arrangement.
- Item 15: Custody

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Item 4 - Advisory Business

Brave Warrior’s investment strategy focuses on clients investing in a limited number of long equity positions. Investments are made in demonstrably healthy businesses that Brave Warrior believes will be successful in the long-term. Brave Warrior endeavors to buy at prices that will protect clients’ capital from substantial erosion should fundamentals diverge from expectations. Clients’ assets under management are invested in securities chosen entirely at the discretion of the Advisor (provided that a client may specifically request that their account not be invested in a particular security for legal or special concerns) after the Advisor explains its investment approach and ascertains that the client is generally prepared to invest at least \$5 million as a long-term investment in the equity markets without specialized needs that would require modification of the portfolio of stocks.

Brave Warrior was founded in 2009 and is solely owned by Glenn H. Greenberg. As of February 28, 2021, Brave Warrior managed approximately \$3,802,300,000 of regulatory assets under management on a discretionary basis on behalf of approximately 280 accounts.

Clients of Brave Warrior include Separately Managed Account (“SMA”) Clients and Private Fund Clients, which include the Brave Warrior Ranger Accredited, LP, Brave Warrior Ranger Fund (BVI) Ltd, Brave Warrior Ranger USNT (BVI) Ltd, Brave Warrior Ranger Fund, LP and Brave Warrior Ranger Qualified, LP, collectively, the “Private Funds”. The Private Funds were formerly known as the AVM Ranger Accredited, LP, AVM Ranger Fund (BVI) Ltd, AVM Ranger Fund USNT (BVI) Ltd, AVM Ranger Fund, LP and AVM Ranger Qualified, LP, and were sub-advised by Brave Warrior from June 2020 through March 2021 on behalf of Arlington Value Capital, LLC.

Item 5 - Fees and Compensation

Except as noted below, fees for SMA clients are generally non-negotiable and are charged on a quarterly basis, in arrears, at the rate of 0.5% of the assets under management, including accrued dividends, as of the last business day of the calendar quarter (i.e., 2% annually). Dependent on the individual arrangement selected by each SMA client, fees charged for Brave Warrior’s advisory services may be deducted from the client’s account, or paid by the client via check/wire. Brave Warrior may adjust fees on a pro rata basis to reflect any material account contributions or withdrawals that Brave Warrior, in its sole discretion determines would result in material fee adjustments.

Fees for the Private Funds include a management fee ranging from 1% to 2.4% annually and a performance allocation calculated as a percentage of net profits, generally 15%, allocated to certain Limited Partners, subject to the specific terms as outlined in each Funds’ governing documents and each Limited Partner’s agreement. Fees are payable to Brave Warrior GP, LLC, the Funds’ General Partner. Arlington Value Capital, LLC (or its designee) is entitled to receive a portion of the management fee and performance allocation paid or allocated by each Private Fund to Brave

Warrior. Payments to Arlington Value Capital, LLC will not result in an increase in the aggregate fees or allocations to which Limited Partners of the Funds are subject.

Brave Warrior reserves the right to reduce or waive fees for client accounts. Brave Warrior provides investment advice to accounts of the Principal, certain family members of, and family trusts or other entities formed by or for the benefit of, the Principal, current and former employees, family members of employees, two retired former traders and accounts valued less than \$200,000 on a fee-waived basis.

Brave Warrior calculates its SMA management fees based on values derived from an independent pricing source, which provides a master pricing file that ensures pricing uniformity for all of Brave Warrior's SMA clients' management fees. Many of Brave Warrior's SMA clients are custodied at Pershing; however, some SMA clients custody their assets at other custodians. Each client receives a statement from their custodian at least quarterly (see the *Custody* section for more information).

Private Fund fees are calculated by the Fund Administrator, NAV Consulting, and verified by Brave Warrior. Management fees are assessed on a monthly basis and performance allocations are assessed annually as outlined in each Private Fund's governing documents.

SMA clients may request in writing that (i) upon a partial withdrawal from an account, Brave Warrior continue to manage the account as if such amount had not been withdrawn, or (ii) Brave Warrior manage the account based on a notional asset value that is in excess of the actual value of the account; in each case, new investments made on behalf of the account may be made using margin borrowing. Historically, a name utilized to describe this practice is "A-Field". At the time of this filing, Brave Warrior has five clients that made such a request. To the extent that a SMA client has requested in writing that Brave Warrior disregard a withdrawal in managing the account or manage the account based on a notional asset value, as described above, the fee will be determined based upon a value of the account that disregards such withdrawal or reflects the notional asset value of such account, as applicable.

A SMA client is able to cancel an investment advisory contract without penalty within five business days after the date of its execution by the SMA client. Thereafter, either party is able to cancel an advisory contract by giving 30 days' prior written notice. If Brave Warrior or the SMA client cancels the contract, the fee for the quarter will be pro-rated over the period during which the contract was in effect based on the value of the assets in the client's account on the date of cancellation.

Brave Warrior may invest a portion of clients' assets in registered investment companies, including, but not limited to, mutual funds. Advisers to such funds charge a management fee in addition to Brave Warrior's management fee. SMA clients may incur fees from their custodian. Further, SMA clients will incur brokerage costs; please see the *Brokerage Practices* section for more information.

In addition to management fees and performance allocations, the Private Funds each bear their own expenses including, but not limited to, accounting, auditing, legal, consulting and other professional fees and expenses, as well as investment-related expenses including commissions, bid-ask spreads, mark-ups, interest on margin borrowing, costs related to short sales, transfer taxes, and custodian fees, as outlined in each Funds' governing documents. Common expenses may be incurred on behalf of the Private Funds or one or more other Clients. The Advisor will seek to allocate any common

expenses among the Private Funds or other Clients in a manner that is fair and reasonable over time. Expense allocation decisions will involve potential conflicts of interest including an incentive to favor accounts that pay higher (or any) performance fees and conflicts relating to different expense arrangements with certain clients. SMA Clients will not bear common expenses but will bear their own direct expenses. As a result, the Private Funds may bear expenses that indirectly benefit certain other Clients including SMA Clients that do not bear a portion of such expenses. The Advisor generally expects to allocate common expenses among the Private Funds pro rata based on relative assets under management. The Advisor may, however, use other methods to allocate certain common expenses among the Private Funds if it deems another method more appropriate based on relative use of the product or service, the nature or source of the product or service, the relative benefits derived by the Private Funds and the relevant other Clients from the product or service, or other relevant factors. Nonetheless, the portion of a common expense that the Advisor allocates to the Private Funds for a particular product or service, may not reflect the relative benefit derived by the Private Funds from that product or service in any particular instance. The Advisor's expense allocations often depend on inherently subjective determinations and, accordingly, expense allocations made by the Advisor in good faith will be final and binding on the Private Funds.

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

Brave Warrior receives performance-based compensation in the form of performance allocations for the Private Funds as described above. As a result, Brave Warrior may have an incentive to allocate limited investment opportunities to Clients from whom the greatest performance-based compensation may be earned. In addition, any performance-based compensation received from a Client may create an incentive for Brave Warrior to make investments for such Client that are riskier or more speculative than would be the case in the absence of such performance-based compensation. Brave Warrior maintains side-by-side trading policies and procedures to address the side-by-side management of Clients that pay a performance fee and those that do not pay a performance fee in order that investments are not allocated to Clients based on the amount of management fees and performance-based compensation Brave Warrior receives.

Item 7 - Types of Clients

Brave Warrior primarily provides customized investment supervisory services to individuals and associated trusts, estates, or charitable organizations, endowments, corporations and other businesses. In addition, Brave Warrior provides investment supervisory services to Private Funds as described above.

Brave Warrior generally requires a minimum of \$5 million in assets for the establishment and maintenance of a separately managed investment advisory account. Brave Warrior, in its discretion, may accept separately managed investment advisory accounts under this minimum. The Private Funds maintain investment minimums as outlined in each Funds' governing documents.

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

Brave Warrior invests primarily in equity positions. Brave Warrior offers an investment strategy focused on holding a limited number of long equity positions. Brave Warrior conducts fundamental analysis on all securities purchased for client accounts. In making its investment decisions, Brave

Warrior may rely on internally generated research derived from annual reports, prospectuses, filings with the SEC, corporate press releases, inspections of corporate activities, conversations with the firm and/or competitors, financial newspapers, magazines and other sources. Brave Warrior may also utilize industry experts in conducting research and/or materials prepared by others in making an investment decision, including third-party consultants. During the research process, Brave Warrior makes an assessment of the quality of the security in question by, among other things, examining financial metrics of the relevant company, the integrity and strategic vision of the management team and the ability to execute such strategy, as well as the attractiveness and risks of the company's industry.

Risk of Loss

All investing involves a risk of loss that clients should be prepared to bear. The investment strategies offered by Brave Warrior could lose money over short or long periods of time. Identifying undervalued securities and other assets is difficult, and there are no assurances that Brave Warrior's investment strategies will succeed. Brave Warrior cannot give any guarantee that it will achieve a client's investment objectives or that clients will receive a return of their investment. Below is a summary of potentially material risks for each significant Brave Warrior investment strategy used, the methods of analysis used, and/or the particular type of security recommended.

- Dependence on Key Individual - Client portfolios are dependent on the continued service and active investment efforts of the Principal, Mr. Glenn H. Greenberg.
- Lack of Diversification. The Advisor's investment strategy is to hold less than 20 stocks, which means that it may invest a greater percentage of its assets in the securities of fewer issuers. Holding fewer stocks may increase volatility of returns.
- Stock Market Risk - There is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- Liquidity Risk – Under certain market conditions, such as during volatile markets or when trading in a security or market is otherwise impaired, the liquidity of a Client's portfolio may be reduced.
- Brave Warrior may rely on information that turns out to be wrong. Brave Warrior selects investments based, in part, on information provided by issuers to regulators or made directly available to Brave Warrior by the issuers or other sources. Brave Warrior is not always able to confirm the completeness or accuracy of such information, and in some cases, complete and accurate information is not available. Incorrect or incomplete information increases risk and could result in losses.
- Brave Warrior may fail to identify successful companies. Identifying undervalued securities and other assets is difficult, and there are no assurances that such a strategy will succeed. Furthermore, clients may be forced to hold such investments for a substantial period of time before realizing any anticipated value.
- Investing in securities entails risks associated with the underlying business. Investments in securities entails all the risks associated with the underlying businesses, including reliance on a company's managers and their ability to execute business strategies. In addition, all businesses face risks such as adverse changes in regulatory requirements, interest rate and currency fluctuations, general economic downturns, changes in political situations, market competitions and other factors. Brave Warrior will not have day-to-

day control over any company in which it invests for clients.

- Investing in foreign securities involves certain risks and opportunities not typically associated with investing in securities of U.S. companies. These include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, and less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.
- There is no public offering of Private Fund shares and investors are prohibited from selling their shares unless the Advisor consents. The Private Fund shares have not been registered under the Securities Act or any state securities laws, and, for that reason, additional transfer restrictions are imposed by law.
- Although Private Fund investors may be permitted to redeem shares and thereby withdraw capital from the Private Funds, there are a number of important restrictions on this right as outlined in each Private Fund's governing documents. The Advisor may, in its sole discretion at any time, redeem some or all of a Private Fund investor's shares. Such mandatory redemption could result in adverse tax and/or economic consequences.
- The Advisor may suspend the right of any Private Fund investor to withdraw capital or receive distributions from a Private Fund if, in the Advisor's judgment, that suspension would be in the Fund's best interests. Situations in which a suspension might occur include, but are not limited to, when disruptions in the markets would make pricing and/or liquidation of some of the Fund's assets difficult or would result in losses if the Fund attempted such liquidations, or when there exist other extraordinary circumstances, as determined by the Advisor, that cause withdrawals or payments to be impracticable under existing economic or market conditions or conditions relating to the Fund (e.g. simultaneous withdrawal requests that cannot, in the aggregate, be fulfilled with material adverse consequences to the Fund or its investors).
- The Private Funds may from time to time invest in privately held equities that are illiquid or otherwise difficult to value accurately. Such investments may include restricted securities purchased directly from an issuer in a private placement with no guarantee of when such securities will be available for resale. Such investments may be thinly-traded, making their purchase or sale at desired prices or in desired quantities difficult or impossible. With respect to restricted securities, there may be no market for the securities, the sale of any such securities may be possible only at substantial discounts, and it may be extremely difficult at times to value any such investments accurately.
- From time to time, the Private Funds may hold a significant portion of their portfolio in cash and cash equivalents. This may result in the Private Funds' investment results underperforming relative to (i) the Advisors' expectations or (ii) what would be the case had the Private Funds' portfolios been more invested.

- The Private Funds may purchase warrants and rights. Warrants are derivative instruments that permit, but do not obligate, the holder to subscribe for other securities or commodities. Rights are similar to warrants, but normally have a shorter duration and are offered or distributed to shareholders of a company. Warrants and rights do not carry with them the right to dividends or voting rights with respect to the securities that they entitle the holder to purchase, and they do not represent any rights in the assets of the issuer. As a result, warrants and rights may be considered more speculative than certain other types of equity-like securities. In addition, the values of warrants and rights do not necessarily change with the values of the underlying securities or commodities and these instruments cease to have value if they are not exercised prior to their expiration dates.
- Cyberattacks and security vulnerabilities could result in a breach for Brave Warrior, its vendors or the underlying companies in which we invest. A breach could potentially result in the disclosure of client data, misuse of confidential information or theft of assets.
- Clients will be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events such as a pandemic. These catastrophic risks of loss can be substantial and could have a material adverse effect on Brave Warrior's business and Clients' portfolios including investments made by Brave Warrior.
- In response to the spread of COVID-19, many businesses, including Brave Warrior, have encouraged or mandated that their personnel work from home in an effort to help slow the spread of the coronavirus pandemic. Notwithstanding such precautionary measures, Brave Warrior may still experience a significant increase in illness of their respective personnel. Work-at-home arrangements could also lead to employee fatigue, reduced collaboration and less optimal communication and supervision relative to traditional office structures which could impair our operational capabilities, potentially having a detrimental impact on our business and operations.

Item 9 - Disciplinary Information

Brave Warrior and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Item 10 - Other Financial Industry Activities and Affiliations

Brave Warrior GP, LLC, a Delaware limited liability company, serves as the General Partner of the Private Funds and receives the performance allocation. Brave Warrior and its employees do not have any relationships or arrangements with other related person companies that pose material conflicts of interest.

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

Brave Warrior buys and sells the same securities for its clients as it does for the Principal of the Advisor and certain of his family members and may buy and sell such securities for certain employees and certain of their family members. This practice presents inherent conflicts of interests, such as Brave Warrior, the Principal, employees, and/or certain of their family members: 1) trading before clients (i.e. front-running), and/or; 2) receiving a better price than clients. To mitigate (potential) conflicts of interest associated with personal trading, Brave Warrior has adopted a Code of Ethics and Policies Governing Personal Securities Transactions (the “Code”) that obligates all principals, officers, directors and employees to put the interests of Brave Warrior’s clients before their own personal interests and to act honestly and fairly in all respects in their dealings with clients. With limited exceptions, all shares purchased and sold on the same trading day are allocated via a computer program among all accounts, including accounts for the Principal, employees and their respective family members, and all other clients. Under no circumstances will the accounts of the Principal, employees or their respective family members receive a more advantageous price than client accounts for a particular security purchased or sold on the same trading day. It is anticipated that all accounts of the Principal, his immediate family members and all other clients have a substantially similar percentage of assets in each security (though account composition will vary to some extent based upon a number of factors, including different investment objectives or restrictions, risk profiles, timing of actual or anticipated capital additions or withdrawals, and problems of allocating small numbers of shares). As mentioned above, to the extent certain accounts have different security weightings (as a result of the factors mentioned above), securities may be purchased and sold for such accounts when other client accounts are not purchasing or selling the same security. Employees (other than the Principal) and their family members may not necessarily have the same account composition as the Principal and other clients. With limited exceptions, trades for these employees and their family members are required to be approved by the Principal prior to the execution of such trades.

All clients and investors receive an information statement summarizing this “Side-By-Side Trading Approach and Procedures” (the “Side-By-Side Policy”). All of Brave Warrior’s personnel are also required to comply with all applicable federal securities laws. As described above, under Brave Warrior’s Side-By-Side Policy, Brave Warrior’s Principal invests the bulk of his investment assets in the same core positions as Brave Warrior’s clients and generally participate proportionately with clients in these core positions. The Code requires Brave Warrior personnel and other access persons to pre-clear certain securities transactions, disclose their reportable securities holdings and business activities annually, and provide quarterly reports regarding personal trading. Clients and prospective clients may obtain a copy of the Code by contacting Donna Downing, the Chief Compliance Officer, via e-mail (ddowning@bravewarrior.com) or by telephone at (212) 421-9760.

Item 12 - Brokerage Practices

Brave Warrior has discretionary authority to select the brokers through whom transactions for its clients will be carried out. Since Brave Warrior manages a relatively small pool of assets, it will limit itself to a relatively small number of brokers so as to remain an important customer for each, thereby seeking the best service, most timely information flow and best execution. These are the

three most important criteria in Brave Warrior's selection of brokers. In addition, the value of products or services that a broker may provide to Brave Warrior, which assist Brave Warrior in its investment decision-making process, may be a factor in choosing a broker. Outstanding trade execution capability and superior service may be given greater emphasis than obtaining the absolute lowest commission on transactions. For clients that utilize Pershing as a custodian, Brave Warrior uses Pershing's platform for those clients' transactions. Brave Warrior typically will only utilize brokers that were approved by Pershing. This practice may be viewed as a best execution risk because Brave Warrior is not necessarily free to use any broker for client transactions unless they "trade away" from Pershing. However, Brave Warrior may only utilize Pershing approved brokers to avoid "trade away" fees, trade error risks, operational costs, and in order to uphold Brave Warrior's duty to seek best execution for clients' securities transactions.

Pershing also serves as the prime broker for the Private Funds.

At least annually, selected Brave Warrior employees meet to systematically evaluate the execution performance of its brokers. The review of brokers consists of various factors including, as applicable: names of brokers; average commission rate charged by each broker; services, if any, provided by the broker other than execution; whether the execution services were satisfactory; reason for using that broker; unusual trends; and potential conflicts of interest. Any other factors Brave Warrior thinks necessary will also be considered in order for Brave Warrior to make a reasonable decision about best execution determinations.

Brave Warrior has entered into a commission sharing arrangement in which a portion of the commissions or trades executed by Brave Warrior on behalf of its Clients are aggregated and used to compensate certain independent research providers for the research services they provide. Brave Warrior also receives research (proprietary or from third-parties) and other ancillary services (e.g. conference access) from brokers. Brave Warrior generally requires brokers with whom it does business to provide research information on securities, industries or economic trends. When Brave Warrior uses *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because Brave Warrior does not have to produce or pay for the research, products or services. Further, an investment adviser may have an incentive to select a broker-dealer based on our interest in receiving the research or other products or services, rather than on our *clients'* interest in receiving most favorable execution. In conjunction with Brave Warrior's periodic best execution analyses, Brave Warrior will review products and services received from broker-dealers to ensure Brave Warrior is in compliance with the safe harbor of Section 28(e); further, Brave Warrior will make a good faith determination that the value of the brokerage and research services obtained is reasonable in relation to the amount of the commissions paid. Please see the *Client Referrals and Other Compensation* section below for additional disclosures.

Brave Warrior generally aggregates orders for its clients' accounts for trade execution with the same broker. When orders are aggregated, each participating account will be allocated securities on an average price basis. It is anticipated that all accounts of the Principal, his respective family members and all other clients will have a substantially similar percentage of assets in each security (though account composition will vary to some extent based upon a number of factors, including different investment objectives or restrictions, risk profiles, timing of actual or anticipated capital additions or withdrawals, and problems of allocating small numbers of shares). To the extent certain accounts have different security weightings (as a result of the factors mentioned above), securities may be purchased and sold for such accounts when other client accounts are not

purchasing or selling the same security. On occasion when an order is partially filled, participating accounts will receive a pro rata average priced allocation, subject to exceptions resulting from the account composition factors described above. From time to time, Brave Warrior may engage in “opposite trading,” when on the same day one client buys a security and a different client account sells the same security. Brave Warrior’s employees (other than Brave Warrior’s Principal) and their family members may not necessarily have the same account composition as Brave Warrior’s Principal and other clients. With limited exceptions, all shares purchased and sold on the same trading day are allocated via a computer program among all accounts, including accounts for Brave Warrior’s Principal, employees and his respective family members, and all other clients. Under no circumstances will the accounts of Brave Warrior’s Principal, employees or their respective family members receive a more advantageous price than client accounts for a particular security purchased or sold on the same trading day. Brave Warrior allocates investment opportunities among its clients in a fair and equitable manner. As described above, order aggregation and allocation processes and the timing of investments could result in varying performance across clients’ accounts.

In seeking best execution for transactions on behalf of clients, Brave Warrior, from time to time may instruct the broker-dealer that executes the transaction to allocate, or “step-out”, a portion of such transaction to another broker-dealer. Step-out transactions occur for accounts valued under \$110,000 and accounts custodied away from Pershing. The broker-dealer to which Brave Warrior has “stepped out” would then settle and complete the designated portion of the transaction, and the executing broker-dealer would settle and complete the remaining portion of the transaction that has not been “stepped-out”. Each broker-dealer may receive a commission or brokerage fee with respect to that portion of the transaction that it settles and completes. Step-out transactions allow accounts custodied away from Pershing and Pershing accounts under \$110,000 to be aggregated with other Brave Warrior client accounts, and receive average pricing on transactions.

Brave Warrior will use its best efforts to assure that orders are entered correctly; however, to the extent that an error occurs, it is to be (i) reported to the Chief Compliance Officer; and (ii) corrected as soon as practicable. If an error is discovered on the trade date or thereafter, the trade will be broken, if possible. If the executing broker cannot break the trade, the error should be reported to the Chief Compliance Officer, who will investigate the matter and the trade (and its correcting trade).

Trades that cannot be broken in SMA client accounts will be allocated to Brave Warrior’s trade error account maintained at Pershing. Brave Warrior is responsible for its own errors in the SMA client accounts and not the errors of other persons, including third party brokers and custodians, unless otherwise expressly agreed to by Brave Warrior. To the extent that SMA client account trades allocated to the Brave Warrior’s error account are profitable; at the end of each year all amounts relating to such profitable trades will be contributed by the Advisor to a charitable organization. Brave Warrior may net trade error gains and losses in the trade error account; this may benefit Brave Warrior by having to pay less for trade error losses.

Trade Errors in the Private Funds will be handled as outlined in each Private Funds’ governing documents. Generally, the Private Funds are responsible for any trade error and Brave Warrior will not be required to bear the cost of any trade error or reimburse the Private Fund for resulting costs or losses.

Item 13 - Review of Accounts

The Principal of Brave Warrior reviews (formally or informally) the portfolios of securities in which its clients are invested on a continuous basis. Executions are verified within a day after each purchase or sale. Upon capital contributions or withdrawals, the Principal of Brave Warrior reviews the account(s) affected to determine any course of action that might be needed.

SMA Clients receive the following written reports: trade confirmations on each transaction, including commissions paid; monthly and/or quarterly statements of activity in each account summarizing all trades, dividends received and cash withdrawals or contributions; monthly summaries of all securities and cash held in each account; and investment letters on a semi-annual basis reviewing Brave Warrior's investment strategy. SMA Clients also receive a statement of assets in the advisory account at the end of each billing period, the billing factor and resulting advisory fee charged to each account. Private Fund investors receive a monthly Limited Partner Statement and a copy of the Private Fund Audited Financial Statements within 120 days of each Funds' fiscal year-end. The Principal is reasonably available to SMA clients and Private Fund investors for consultation and, at least annually, Brave Warrior will contact SMA clients, in writing, with a request to notify the firm if their financial situation or investment objectives have changed.

Item 14 - Client Referrals and Other Compensation

Brave Warrior receives an economic benefit from Pershing in the form of a rebate of certain costs for support products and services that we and other independent investment advisors that have clients who maintain accounts at Pershing may utilize. For example, Brave Warrior utilizes Advent OnDemand, a Division of SS&C, which assists Brave Warrior in servicing client accounts. The costs associated with our use of Advent OnDemand are paid by Brave Warrior and may be rebated, in part or in full, by Pershing, at Pershing's discretion. Products and services provided by Pershing, how they benefit us, and the related conflicts of interest are also described above (see Item 12 – Brokerage Practices). Although Brave Warrior finds Pershing's products and services, including the economic benefits we receive, to be valuable tools for servicing client accounts, Brave Warrior's receipt of these products and services from Pershing may be viewed as a conflict of interest for us to recommend Pershing as a custodian to clients. The availability of Pershing's products and services for Brave Warrior, however, is not guaranteed nor based on us giving particular investment advice, such as buying particular securities for our clients, or based on a specified level of trading activity through Pershing Advisor Solutions.

Arlington Value Capital, LLC (or its designee) is entitled to receive a portion of the Management Fee and Performance allocation paid or allocated to Brave Warrior by the Private Funds. Payments to Arlington Value Capital, LLC will not result in an increase in the aggregate fees or allocations to which Limited Partners of the Funds are subject.

Brave Warrior has entered into an agreement, and may in the future enter into additional agreements, with a placement agent who will introduce clients to Brave Warrior. Compensation under this arrangement will generally be a percentage of the management fees attributable to the introduced assets. The compensation is paid by Brave Warrior. Any conflict of interest that may exist with a client being referred by a placement agent will be fully disclosed to such clients. At a minimum, the client will receive a copy of Brave Warrior's Brochure.

Item 15 - Custody

All SMA clients' accounts are held in custody by unaffiliated broker/dealers or banks, but the Advisor can access certain clients' funds through our ability to instruct the custodian to debit advisory fees. In these cases, Brave Warrior is considered to have custody of client assets under Rule 206(4)-2 under the Advisers Act. Account custodians send statements directly to the account owners on at least a quarterly basis. Clients should carefully review these statements, and should compare these statements to any account information provided by Brave Warrior.

SMA Client services can include the transfer of assets as instructed in a Standard Letter of Authorization. While the SMA Client's qualified custodians are contractually responsible for executing a transfer or withdrawal, Brave Warrior may receive instructions directly from the SMA Client and then forward the written requests to the SMA Client's custodian. All instructions for transfers or withdrawals must be in writing and include the signature of an authorized individual. Brave Warrior additionally verifies all written instructions received from SMA Clients verbally.

Private Fund assets are also held in custody by unaffiliated broker/dealers or banks, but the Advisor has access to client accounts since it or an affiliate serves as the General Partner of each Private Fund. Limited Partners will not receive statements from the custodian. Instead the Private Funds are subject to an annual audit and the audited financial statements are distributed to each Limited Partner. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of each Private Fund's fiscal year end.

Item 16 - Investment Discretion

As disclosed above in the *Advisory Business* section, Brave Warrior has full discretionary authority with respect to investment advisory accounts to sell, purchase, exchange, trade in or generally to invest and reinvest all assets at any time held in a client's account. The Principal is the sole decision maker for investment decisions for client accounts which are based on his own research as well as research conducted by Brave Warrior's research analysts. Brave Warrior maintains a contingency plan for continuous management of client accounts in the event the Principal is temporarily unavailable for any reason. Brave Warrior does not anticipate entering into client agreements that allow a client to mandate or restrict the advisory decisions of Brave Warrior. Clients, however, may request that Brave Warrior avoid investments in certain industries or companies for their account due to legal or special concerns of the client. Should Brave Warrior agree, contractually or informally, to a client-requested mandate or restriction of an account, Brave Warrior will manage the account accordingly.

Item 17 - Voting Client Securities

Brave Warrior will accept authority, through a provision in a client's advisory agreement, to vote client securities. Brave Warrior has adopted Proxy Voting and Class Action Participation Policies and Procedures (the "Procedures") that are designed to ensure that Brave Warrior votes proxies with respect to client securities in the best interests of its clients. All proxies that Brave Warrior receives will be treated in accordance with the Procedures. The Procedures also require that Brave Warrior identify and address conflicts of interest between Brave Warrior and its clients. If a material conflict of interest exists, Brave Warrior will determine whether voting in accordance with the guidelines set forth in the Procedures is in the best interests of the client or take some other

appropriate action (e.g., retain an independent third party to vote the proxy).

Brave Warrior generally votes in favor of routine corporate housekeeping proposals. For all other proposals, Brave Warrior will determine whether a proposal is in the best interests of its clients and may take into account the following factors, among others: (i) whether the proposal was recommended by management and Brave Warrior's opinion of management; (ii) whether the proposal acts to entrench existing management; and (iii) whether the proposal fairly compensates management for past and future performance. Clients may not direct proxy voting for particular solicitations.

Clients may obtain a copy of Brave Warrior's Procedures and information about how Brave Warrior voted a client's proxies by contacting either of Joe Tarallo or Glenn H. Greenberg via e-mail (joe@bravewarrior.com or glenn@bravewarrior.com) or by telephone at (212) 421-9760. Clients that do not provide Brave Warrior authority, through an advisory agreement, to vote client securities are responsible for voting any proxies, and should contact their custodian with questions about receiving proxies and process for the client to execute voting on such proxies. Brave Warrior does not forward proxies to such clients, but they may contact Brave Warrior (see contact info directly above) with questions about a particular solicitation.

Brave Warrior does not generally direct Clients' participation in class actions. On occasion, Brave Warrior, in its sole discretion, may elect to participate in a class action on behalf of clients.

Item 18 - Financial Information

Brave Warrior has never filed for bankruptcy, is not required to include a balance sheet for its most recent fiscal year, and is not aware of any financial condition that is expected to affect its ability to manage client accounts.