

# BBH Intermediate Municipal Bond Fund

*Fund Fact Sheet / 2Q 2020*

## PRINCIPAL STRATEGY AND OBJECTIVES

The BBH Intermediate Municipal Bond Fund (“the Fund”) seeks to protect investors’ capital and generate attractive risk-adjusted returns by combining thorough, independent credit research and a unique valuation discipline to identify undervalued municipal securities. The Fund invests in a long-term, tax-aware manner and applies a bottom-up, fundamental investment approach.

## INVESTMENT CRITERIA

When constructing our municipal bond portfolios, we focus on credits that are able to withstand a wide variety of economic and political environments. Our disciplined investment selection process emphasizes the following attributes:

- Durable operating model
- Provides essential services with proven pledged revenues
- Sound long-term planning with an appropriate balance between stakeholders
- Financial flexibility, including rate autonomy and healthy liquidity
- Strong coverage with suitable covenant protections
- On-time financial filings

We also take into consideration environmental, social and governance (“ESG”) factors, and seek to avoid any material unmitigated risks.

The portfolio management team generally expects to target between 75-125 obligors that offer attractive yields in major sub-sectors of the U.S. municipal bond market. The targeted holding period for individual securities is typically four to five years.

## PRINCIPLES OF TAX-EXEMPT FIXED INCOME INVESTING

- **Investment Objective:** The Fund seeks to protect investors’ capital and generate attractive risk-adjusted returns.
- **Emphasis on capital preservation:** The Fund will seek to maintain a high-quality bias through the purchase of securities where our own independent analysis suggests a very low probability of any interruption in the timely payment of interest or principal.
- **Diversification:** The portfolio management team generally expects to target between 75-125 obligors in major sub-sectors.
- **Taxes:** Tax considerations are an important part of the investment process. The Fund invests in a tax-aware manner with an expected annual turnover of less than 25%.
- **Long-term perspective:** Many investment strategies are built around short-term expectations, momentum, and frequent trading. We believe that a long-term view of municipal credit analysis leads to stronger results and risk control over market cycles.

## FUND MANAGER



### Gregory S. Steier

Mr. Steier joined BBH in 1992 and became a Managing Director of the firm in 2006. Mr. Steier currently serves as Head of Tax-Exempt Fixed Income at BBH. In addition to his fixed income responsibilities, Mr. Steier serves on BBH’s Asset-Liability Committee. Mr. Steier holds a BS in Accounting and an MBA in Finance from New York University’s Stern School of Business.

**This material is not authorized for distribution unless accompanied or preceded by a current Fund prospectus.**

BBH Fund Information Service: (800) 625-5759

**Performance**  
As of June 30, 2020

Fund/Benchmark	Total Returns		Average Annual Total Returns			
	3 Mo.*	YTD*	1 Yr.	3 Yr.	5 Yr.	Since Inception
<b>BBH Intermediate Municipal Bond Fund (Class I)</b>	2.61%	2.44%	4.56%	4.39%	4.24%	4.08%
<b>BBH Intermediate Municipal Bond Fund (Class N)</b>	2.56%	2.35%	4.39%	4.23%	4.08%	3.94%
<b>Bloomberg Barclays Municipal Bond 1-15 Year Blend Index</b>	2.69%	2.18%	4.18%	3.75%	3.42%	3.42%

**Class I: Net/Gross Expense Ratio (%) 0.50 / 0.50**

**Class N: Net/Gross Expense Ratio (%) 0.65 / 0.77**

**All performance is net of fees**

Sources: BBH & Co. and Bloomberg

\* Returns are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses to 0.65% for Class N shares and 0.50% for Class I shares through March 1, 2021. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees (the "Board").

**Past performance does not guarantee future results, and current performance may be lower or higher than the past performance data quoted. The investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than the original cost. For performance current to the most recent month-end please call 1-800-625-5759. Fund shares redeemed within 30 days of purchase are subject to a redemption fee of 1.00%.**

The Bloomberg Barclays 1-15 Year Blend (1-17) Muni Index is a component of the Barclays Municipal Bond index, including bonds with maturity dates between one and 17 years. The Bloomberg Barclays Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. The index is not available for direct investment.

**Share Class Overview**  
As of June 30, 2020

	Overall Morningstar Rating™*	Ticker	CUSIP	Inception Date	Total Net Assets (mil)	NAV	30-Day SEC Yield** (Subsidized)	30-Day SEC Yield** (Unsubsidized)
<b>Class I</b>	★★★★★	BBIX	05528C824	04/01/2014	\$570.2	\$10.88	1.09%	1.09%
<b>Class N</b>	★★★★	BBINX	05528C816	04/01/2014	\$65.2	\$10.89	0.88%	0.89%

\* Star ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year Morningstar Rating metrics. There are 238 funds in the Muni National Interm category Overall Rating as of 6/30/2020.

\*\* SEC yield is a calculation based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the reported period.

Credit Quality As of June 30, 2020	
Cash and Cash Equivalents	3.6%
AAA	29.8%
AA	37.2%
A	26.0%
BBB	3.3%
BB	0.0%
B or Lower	0.0%
Not Rated	0.0%
<b>Total</b>	<b>100.0%</b>

Reported as a percentage of portfolio securities.

Top 10 Holdings / Coupon / Maturity As of June 30, 2020			
Virginia State College Building Authority	5.000%	09/01/2027	1.2%
Minnesota Housing Finance Agency, MN	2.470%	01/01/2050	1.2%
Philadelphia School District, PA	5.000%	06/01/2033	1.2%
Texas State Muni Gas Acquisition	0.910%	12/15/2026	1.2%
Texas State Department of Housing and Community Affairs	2.835%	09/01/2047	1.1%
Michigan Qualified School Bond Loan Fund	6.000%	05/01/2029	1.1%
Northern California Gas Authority	1.680%	07/01/2027	1.1%
Washington, DC (Income Tax)	5.000%	10/01/2028	1.1%
California School Districts (GOs)	0.000%	08/01/2024	1.0%
South Dakota Housing Development Authority	3.750%	11/1/2050	1.0%
<b>Total</b>			<b>11.1%</b>

Reported as a percentage of total portfolio.

Sector Distribution As of June 30, 2020	
General Obligations	32.3%
Pre-Refunded	1.1%
Revenue	66.6%
<b>Total</b>	<b>100.0%</b>

Reported as a percentage of portfolio securities.

Fund Facts As of June 30, 2020	
Number of Holdings	284
Number of Issuers Held	126
Effective Duration (years)	4.71
Yield to Maturity	1.47%
Yield to Worst	1.35%

Holdings are subject to change. Totals may not sum due to rounding. Credit Quality letter ratings are provided by Standard & Poor's, Moody's and Fitch and are presented as the higher of the three ratings. When a security is not rated by Standard & Poor's, Moody's or Fitch, the highest credit ratings from DBRS and Kroll may be used. Credit ratings reflect the credit quality of the underlying issues in the portfolio and not of the portfolio itself. Issues with credit ratings of BBB or better are considered to be investment grade, with adequate capacity to meet financial commitments. Issues with credit ratings below BBB are considered speculative in nature and are vulnerable to the possibility of issuer failure or business interruption. Effective duration is a measure of the portfolio's return sensitivity to changes in interest rates.

Yield to Maturity is the rate of return the portfolio would achieve if all purchased bonds and derivatives were held to maturity, assuming all coupon and principal payments are received as scheduled and reinvested at the same yield to maturity. This figure is subject to change and is not meant to represent the yield earned by any particular security. Yield to Maturity is before fee and expenses. Yield to Worst is the lowest yield an investor can expect when there is optionality on the bond (i.e., call or put, etc.). Yield to Maturity and Yield to Worst are before fees and expenses.

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## RISKS

There is no assurance that this investment objective will be achieved.

Diversification does not eliminate the risk of experiencing investment losses.

Investors in the Fund should be able to withstand short-term fluctuations in the fixed income markets in return for potentially higher returns over the long term. The value of portfolios changes every day and can be affected by changes in interest rates, general market conditions and other political, social and economic developments.

Investing in the bond market is subject to certain risks including market, interest-rate, issuer, credit, maturity, call and inflation risk; investments may be worth more or less than the original cost when redeemed.

Income from municipal bonds may be subject to state and local taxes and at times the alternative minimum tax.

The Fund also invests in derivative instruments, investments whose values depend on the performance of the underlying security, assets, interest rate, index or currency and entail potentially higher volatility and risk of loss compared to traditional stock or bond investments.

As the Fund's exposure in any one municipal revenue sector backed by revenues from similar types of projects increases, the Fund will also become more sensitive to adverse economic, business or political developments relevant to these projects.

Asset allocation decisions, particularly large redemptions, made by an investment adviser whose discretionary clients make up a large percentage of the Fund's shareholders may adversely impact remaining Fund shareholders.

**For more complete information, visit [www.bbhfunds.com](http://www.bbhfunds.com) for a current Fund prospectus. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.**

Shares of the Fund are distributed by ALPS Distributors, Inc. and is located at 1290 Broadway, Suite 1000, Denver, CO 80203.

Brown Brothers Harriman & Co. ("BBH"), a New York limited partnership, was founded in 1818 and provides investment advice to registered mutual funds through a separately identifiable department (the "SID"). The SID is registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940. BBH acts as the Fund Administrator and is located at 140 Broadway, New York, NY 10005.

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Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The BBH Intermediate Municipal Bond Fund was rated against the following numbers of Muni National Interim category funds over the following time periods: 238 funds in the last three years and 211 funds in the last five years. With respect to these Muni National Interim category funds, the BBH Intermediate Municipal Bond Fund (Class I & Class N), received an Overall Morningstar Rating of 5 stars and 4 stars, respectively. Class I three- and five years periods received ratings of 5 stars and 5 stars, respectively. Class N three- and five-year periods received ratings of 4 stars and 4 stars, respectively.

**Not FDIC Insured**

**No Bank Guarantee**

**May Lose Money**

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IM-08114-2020-07-13

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Exp. Date 10/31/2020

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**INVESTMENT MANAGEMENT**

**BBH Intermediate Municipal Bond Fund**