Dear Baron Growth Fund Shareholder:

Performance

Baron Growth Fund (the "Fund") returned 27.46% (Institutional Shares) during the quarter ended June 30, 2020. Markets soared during the period, boosted by unprecedented fiscal and monetary policy, early indications that global economic activity is improving, and optimism regarding the timing and availability of COVID-19 vaccines. On a year-to-date basis, the Fund declined just 0.97%. This compares favorably to the Fund's primary benchmark, the Russell 2000 Growth Index (the "Benchmark"), which declined 3.06%. The S&P 500 Index, which measures the performance of publicly traded large-cap U.S. companies, declined 3.08%.

The Fund's year-to-date outperformance continues to be driven by favorable stock selection. This is the goal of our fundamentally driven investment strategy, and where we devote the preponderance of our time and attention. As we detail below, the stringent investment criteria that we apply has helped us create a portfolio of businesses that is proving to be resilient in the face of extraordinary uncertainty.

NEAL ROSENBERG
CO-PORTFOLIO MANAGER

RONALD BARON
CEO AND LEAD PORTFOLIO MANAGER

Retail Shares: BGRFX
Institutional Shares: BGRIX
R6 Shares: BGRUX

Table I.
Performance
Annualized for periods ended June 30, 2020

	Baron Growth Fund Retail Shares[1,2]	Baron Growth Fund Institutional Shares[1,2,3]	Russell 2000 Growth Index[1]	S&P 500 Index[1]
Three Months[4]	27.39%	27.46%	30.58%	20.54%
Six Months[4]	(1.09)%	(0.97)%	(3.06)%	(3.08)%
One Year	6.59%	6.85%	3.48%	7.51%
Three Years	13.49%	13.78%	7.86%	10.73%
Five Years	10.89%	11.17%	6.86%	10.73%
Ten Years	13.94%	14.24%	12.92%	13.99%
Fifteen Years	9.26%	9.47%	8.85%	8.83%
Since Inception (December 31, 1994)	13.01%	13.14%	7.83%	9.87%

Stocks soared during the quarter, with the Fund returning 27.46%, its Benchmark gaining 30.58%, and the S&P 500 Index rising 20.54%. Aggressive actions by the Federal Reserve ensured normal functioning of financial markets, reduced borrowing costs to near zero, and incentivized risk-taking by investors. Unprecedented fiscal and monetary policy has helped to cushion the short-term financial impact to many individuals and companies. Investors have concluded that the governments and central banks are fully committed to helping to bridge the global economy until a recovery begins. This has given markets confidence to look past the current environment and focus on an eventual return to normalcy, boosting asset prices.

COVID-19 continues to circle the globe, causing countries to implement an array of social distancing measures to minimize the human impact of the virus. While case growth has slowed across much of Asia, Europe, and the Northeastern U.S., it continues to accelerate across Latin America and many U.S. Sunbelt states. We do not have any proprietary insight into how the situation will develop over the short term, but we remain optimistic about the long term. We are confident that human ingenuity will prevail, and that ultimately medical science will identify the right combination of diagnostics, therapeutics, and vaccines to allow daily life to restart safely and efficiently. We expect this to occur in a staccato-like manner. With discount rates low and global economic growth slower than before, we think secular growth businesses like those that we own in the Fund will attract incremental investment capital. We are excited about the long-term return prospects for growth stocks in general, and for the Fund in particular.

Performance listed in the above table is net of annual operating expenses. Annual expense ratio for the Retail shares and Institutional shares as of September 30, 2019 was 1.29% and 1.04%, respectively. The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's transfer agency expenses may be reduced by expense offsets from an unaffiliated transfer agent, without which performance would have been lower. Current performance may be lower or higher than the performance data quoted. For performance information current to the most recent month end, visit www.BaronFunds.com or call 1-800-99BARON.

1 The indexes are unmanaged. The index performance is not Fund performance; one cannot invest directly into an index. The Russell 2000® Growth Index measures the performance of small-sized U.S. companies that are classified as growth and the S&P 500 Index of 500 widely held large cap U.S. companies. The indexes and the Fund are with dividends, which positively impact the performance results. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell is a trademark of Russell Investment Group.

2 The performance data in the table does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

3 Performance for the Institutional Shares prior to May 29, 2009 is based on the performance of the Retail Shares, which have a distribution fee. The Institutional Shares do not have a distribution fee. If the annual returns for the Institutional Shares prior to May 29, 2009 did not reflect this fee, the returns would be higher.

4 Not annualized.

Since our last letter we have had the opportunity to review the first set of COVID-impacted quarterly results, speak with management teams several more times, and conduct additional primary due diligence. At a high level, most business activity came to a sudden stop in mid-to-late March, consistent with a series of state lockdown orders. Trends remained depressed for several weeks before starting to climb off the bottom in mid-to-late April. By the end of June, companies that we spoke with reported that trends were improving day over day, and week over week, which is encouraging.

Trends do vary by industry and sector. In Financials, the Fund has large investments in market data and analytics vendors such as **MSCI, Inc.**, **FactSet Research Systems, Inc.**, and **Morningstar, Inc.** Revenue and booking trends for this group has remained largely intact, with FactSet successfully accelerating its growth. We have observed consistent demand for data and analytical tools and ESG products, and only very modest delays in some of the largest ticket items. Margins remain high, variable costs are being well controlled, cash flow generation remains robust, and balance sheets are appropriately scaled.

In Information Technology ("IT"), the Fund primarily invests in software and internet businesses. Generally, these businesses are thriving. **Wix.com Ltd.**, a leading provider of website design and hosting services, has seen an acceleration in its business. It has been less expensive to acquire new customers, easier to convert registered users to paying customers, and so far, easier to retain customers. At businesses selling larger dollar value deals, we have observed some slowdown in the pace of business. Those deals are not lost for good but are just being pushed out to later in the year. We think those deal closure rates will start to pick up shortly. Many of our IT investments are focused on facilitating digital transformation. We think that pre-COVID, digital transformation was in its early adoption phase. Post-COVID, we think that all businesses will be forced to adopt a digital-first strategy or risk becoming obsolete. We think this bodes well for demand for all our IT investments.

In Health Care, our companies are seeing consistent underlying demand since they provide critical supplies and devices to essential businesses. A few are benefiting from the global search for a COVID vaccine. For example, **West Pharmaceutical Services, Inc.**, the world's leading provider of drug delivery devices, was seeing accelerating growth pre-COVID from long-term secular drivers. Now, we expect West to be a critical supplier to many pharmaceutical companies pursuing a COVID vaccine, which could add millions or billions of units annually. Similarly, software from **Schrodinger, Inc.** is being used by the 20 largest pharmaceutical companies to help predict the binding affinity of drug molecules. Customers are using Schrodinger software to help search for COVID therapeutics and will inevitably use it more intensively as we emerge from the crisis.

In Industrials, we have a significant investment in **CoStar Group, Inc.**, which has seen a significant acceleration in its digital marketplace businesses. Customers are using more technology to advertise properties, conduct virtual tours, analyze pricing, and execute sales and leases. This has been partially offset by slower trends in its commercial real estate data licensing businesses. We think that the company's revenue streams are extremely well diversified, its contracts are extremely sticky, and its competitors are sub-scale, under-managed, and under-capitalized.

Consumer Discretionary stocks are the most acutely impacted in the short term, as stay-at-home orders brought travel and entertainment trends to a virtual halt. Over the long term, we think that most activities will recover to pre-pandemic levels. We believe there is significant pent-up demand for travel and entertainment. We are already seeing anecdotal evidence of this emerging, such as enhanced airline schedules, rising airline load factors, improving occupancy at hotels, and lines out the door at regional casinos as they reopen. We believe that all of our Consumer Discretionary investments boast sustainable competitive advantages, such as **Vail Resorts, Inc.**'s unique network of best-in-class ski resorts, **Penn National Gaming, Inc.**'s possession of regional gaming licenses, and **Marriott Vacations Worldwide Corp.**'s proprietary customer database and exclusive relationship with Marriott Hotels. We believe that many are benefiting from idiosyncratic or secular trends, such as Penn's recent acquisition of Barstool Sports and its enhanced exposure to legalized sports betting. We believe that all are run by best-in-class management teams, are appropriately capitalized to endure slow and uncertain recoveries, and can generate earnings equal to or greater than their pre-COVID peaks. Ultimately, we believe that these stocks are trading at compelling valuations relative to their earnings potential and will produce some of the best returns for the Fund over time.

Table II.
Performance Based Characteristics as of June 30, 2020

	Millennium Internet Bubble to Financial Panic 12/31/1999 to 12/31/2008	Financial Panic to COVID-19 Pandemic 12/31/2008 to 12/31/2019	Millennium Internet Bubble to Present 12/31/1999 to 6/30/2020	Inception 12/31/1994 to 6/30/2020
Alpha (%)	5.05	3.98	5.38	7.08
Beta	0.58	0.78	0.68	0.70

Table III.
Performance
Millennium to COVID-19 Pandemic. The Impact of Not Losing Money.

	Millennium Internet Bubble to Financial Panic 12/31/1999 to 12/31/2008		Financial Panic to COVID-19 Pandemic 12/31/2008 to 12/31/2019		COVID-19 Pandemic to Present 12/31/2019 to 6/30/2020		Millennium Internet Bubble to Present 12/31/1999 to 6/30/2020		Inception 12/31/1994 to 6/30/2020	
	Value $10,000	Annualized	Value $10,000	Annualized	Value $10,000	Cumulative	Value $10,000	Annualized	Value $10,000	Annualized
Baron Growth Fund (Institutional Shares)	$12,448	2.46%	$51,065	15.98%	$9,903	–0.97%	$62,952	9.39%	$232,865	13.14%
Russell 2000 Growth Index	$ 6,476	–4.71%	$45,672	14.81%	$9,694	–3.06%	$28,670	5.27%	$ 68,389	7.83%
S&P 500 Index	$ 7,188	–3.60%	$45,104	14.68%	$9,692	–3.08%	$31,422	5.74%	$110,329	9.87%

An investor cannot invest directly in an index.

The Fund has meaningfully outperformed its Benchmark over the long term. This is principally the result of not losing money during the nine years ending December 2008, when most others did…as well as outstanding performance of our growth stock investments. A hypothetical investment of $10,000 in the Fund at its inception on December 31, 1994 would be worth $232,865 at June 30, 2020, or over 3.4 times greater than the value of the same hypothetical investment made in the Fund's Benchmark. Hypothetically, our returns were achieved with approximately 30% less volatility than the Benchmark, as represented by its beta. (Please see Tables II and III.)

While the Fund didn't make much money from the peak of the Internet Bubble on December 31, 1999 through the trough of the Financial Panic on December 31, 2008, it did generate a positive annualized return of 2.46%. Conversely, a hypothetical investment in the Fund's Benchmark would have declined 4.71% on an annualized basis, in value over the same time, while a hypothetical investment in the large-cap S&P 500 Index would have declined 3.60% annualized. (Please see Table III–Millennium Internet Bubble to Financial Panic.)

The effects of compounding over the long term illustrate the difference between making money and losing it. A hypothetical investment of $10,000 in the Fund on December 31, 1999 was worth $62,952 on June 30, 2020. That is more than double a hypothetical investment in the Benchmark (Please see Table III–Millennium Internet Bubble to Present). We have observed similar performance in the early days of the COVID-19 pandemic. The Fund has declined just 0.97% through June 30, which is 2.09% better than the Benchmark and 2.11% better than the S&P 500 Index. We are pleased that our long-term investments in what we believe are competitively advantaged growth companies with exceptional management teams have generated attractive returns in good markets and have helped to protect capital during more challenging ones.

Table IV.
Top contributors to performance for the quarter ended June 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Penn National Gaming, Inc.	2008	$2.5	$ 4.2	141.33%	1.90%
MSCI, Inc.	2007	1.8	27.9	15.76	1.73
ANSYS, Inc.	2009	2.3	25.0	25.49	1.69
IDEXX Laboratories, Inc.	2005	1.9	28.0	36.29	1.63
CoStar Group, Inc.	2004	0.7	28.0	21.03	1.60

Shares of **Penn National Gaming, Inc.,** a U.S. regional casino company, increased as the company enhanced its liquidity position by selling equity and convertible debt. Penn has seen a quick rebound at recently opened properties, and margins are improving as revenue builds while costs remain low. Penn anticipates it will generate 2019 EBITDA levels at 95% of 2019 revenue. Its online sports betting deal with Barstool should be an additional positive over time.

Shares of **MSCI, Inc.**, a leading provider of investment decision support tools, contributed to performance. The company reported solid first quarter earnings. In addition, management has taken a very proactive stance towards cost management in light of COVID-19. We retain long-term conviction as the company owns strong, "all weather" franchises and remains well positioned to benefit from multiple tailwinds in the investment community.

ANSYS, Inc. is a leading provider of physics-based simulation software to evaluate how products will perform under various environments. Shares rose on solid financial results supported by overall strength in software stocks. Despite COVID-19's short-term negative impact on the company, management noted a growing usage of simulation software as physical testing is halted, which we believe should accelerate the secular shift towards simulation. We view ANSYS's growth to be sustainable, supported by secular trends, strong branding, and expanding product lines and partnerships.

Table V.
Top detractors from performance for the quarter ended June 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap or Market Cap When Sold (billions)	Total Return	Percent Impact
Arch Capital Group Ltd.	2002	$0.4	$11.6	0.67%	–0.19%
LendingTree, Inc.	2017	3.9	1.6	–19.78	–0.05
Douglas Emmett, Inc.	2009	1.0	5.4	1.43	–0.03
Alexander's, Inc.	1999	0.4	1.2	–10.34	–0.02
BRP Group, Inc.	2019	1.0	0.2	–3.05	–0.01

Arch Capital Group Ltd. is a specialty insurance company based in Bermuda. While the property & casualty insurance segments are improving, economic-related headwinds in the mortgage business caused the shares to detract. Lender forbearance and rising unemployment are causing higher mortgage delinquencies, which pressured earnings due to Arch's provision for credit losses even if these delinquencies don't ultimately result in cash losses. However, we continue to own the stock due to Arch's strong management team and underwriting discipline.

LendingTree, Inc. operates an online marketplace that connects consumers with financial institutions to compare insurance, mortgages, credit cards, personal loans, and other financial products. Shares detracted from performance in the quarter due to headwinds from the COVID-19 pandemic and related macroeconomic pressure. Management expects a significant revenue decline in the near term due to lower demand from both lenders and consumers and less available capital for lending. We exited the position.

Douglas Emmett, Inc. is a REIT that owns and manages office buildings and apartment communities in West Los Angeles, the San Fernando Valley, and Honolulu. COVID-19 has negatively impacted short-term business performance as a portion of office and multi-family tenants have elected to defer rental payments and could ultimately reduce tenant demand and market rents. We retain conviction based on Douglas Emmett's irreplaceable portfolio, attractive markets, and trusted management.

Recent Purchases

This quarter, the Fund doubled its position in **Dechra Pharmaceuticals PLC** when the company issued stock to fund a strategic acquisition. Dechra is a U.K.-based company that develops, manufactures, and sells specialty veterinary pharmaceuticals. We are enamored with the global animal health market and have successfully invested in the space for over a decade. We estimate that the global market for animal health pharmaceuticals is approximately $33 billion. We expect the market to grow at a 5% to 6% annual CAGR, driven by powerful secular trends, including the humanization of pets and persistent increases in demand for animal protein and other animal by-products. Increases in global veterinary R&D derivative benefits from human pharmaceutical R&D will also drive market expansion.

The veterinary health care market is structurally superior to the human health care market. Unlike human health care, there are no government payors and few third-party commercial insurers. Pet owners pay for products and services using cash rather than insurance, which helps eliminate reimbursement risk, and enables the industry to pass through modest annual price increases. Additionally, industry regulations tend to be promulgated by the USDA rather than the FDA and are far less stringent than in the human space.

Dechra is one of the 10 largest animal pharmaceutical companies in the world but has just low single-digit global market share. The company targets diseases that are underserved by larger pharmaceutical competitors and is often the dominant provider in its individual therapeutic niches. Today, the company's primary areas of focus are endocrinology, dermatology, ophthalmology, analgesics, and equine. Over time, we expect the company to broaden its portfolio, particularly into the food animal market. We estimate that Dechra's current pipeline of new products could double its business, including blockbuster opportunities for pain management and diabetes.

We also expect growth to benefit from geographic expansion. Dechra's roots are in the U.K., and the company also has a strong and growing presence in the EU. Dechra first entered the U.S. market in 2016, and it can compound in that geography at double-digit rates. Over time, we expect the company to enter or enhance scale in other emerging markets, particularly those with large production animal populations like Brazil, Argentina, and Australia.

We expect the combination of end-market growth, share gains, R&D, and geographic expansion to generate organic revenue growth around 10% annually. We expect Dechra to supplement this organic growth with acquisitions. The company has successfully completed 16 acquisitions since 2010, which help expand its product set and geographic coverage. Most recently, Dechra acquired Osurnia from Elanco for £110 million, or approximately four times sales. Osurnia gives Dechra a second modality for treating outer ear inflammation in dogs, which is the second most common reason for canine veterinary visits. We expect the transaction to be 5% to 6% accretive to 2021 earnings, and to help Dechra continue to penetrate underserved clients.

Over the past five years, large human health care companies have spun off their animal health businesses, creating large pure play entities such as Zoetis Inc. and Elanco Animal Health Inc. These large, independent players are aggressively deploying capital in pursuit of growth, recently highlighted by the merger of Elanco and Bayer Animal Health. We expect this trend around consolidation to continue. We view Dechra as a direct beneficiary of M&A as antitrust authorities mandate divestitures of niche products to approve deals, as in the case of Osurnia. We also view Dechra as an attractive target for larger animal health vendors given its unique portfolio of niche products and minimal overlap with these competitors.

Portfolio Structure and Investment Strategy

The Fund seeks to invest in businesses that we believe have attractive and sustainable fundamental characteristics. We search for businesses that are investing to grow and enhance their competitive advantages. We favor business models that have high levels of recurring revenue, generate attractive incremental margins, are cash generative, and are not dependent on third-party financing. We exclusively invest with management teams that we consider exceptional.

The Fund holds investments for the long term. As of June 30, 2020, 32 of the Fund's investments, representing 91.4% of the portfolio's net assets, had been held for more than 5 years, and 18 investments, representing 8.4% of the portfolio's net assets, had been held for less than 5 years. This is dramatically longer than most other small-cap growth funds, which, according to Morningstar, turn over about 70% of their portfolios annually.

We view this long-term perspective as a source of our competitive advantage. Most investors focus on short-term results. By concentrating on long-term results, we are researching a less efficient area of the market, which enables us to uncover high-quality businesses that can compound at faster rates for far longer. We believe that this allows us to act opportunistically. When companies miss quarterly earnings estimates, or announce investment programs, stocks go down indiscriminately. We can evaluate these situations dispassionately and assess the fundamentals of the opportunity or the expected return of an investment program. Ideally this allows us to buy a best-in-class business at a more attractive valuation.

We believe the merits of our long-term approach are evident in the data. As of June 30, the portfolio's 10 largest positions have been owned for an average of 15.1 years. As a group, they have returned 18.8% annually based on weighted average assets since their initial purchase and have exceeded the Benchmark by 9.6% annualized.

Table VI.
Top performing stocks owned more than five years

	Year of First Purchase	Cumulative Total Return Since First Date of Purchase
IDEXX Laboratories, Inc.	2005	2,194.0%
CoStar Group, Inc.	2004	1,674.9
Choice Hotels International, Inc.	1996	1,545.4
MSCI, Inc.	2007	1,333.4
ANSYS, Inc.	2009	1,022.5
Mettler-Toledo International, Inc.	2008	1,016.6
Vail Resorts, Inc.	1997	1,009.8
Cohen & Steers, Inc.	2004	1,008.0

The cohort of investments that have been held for more than 5 years includes 32 positions representing 91.4% of assets. This cohort has earned an annualized rate of return of 18.5% based on weighted average assets since they were first purchased, which exceeds the performance of the Fund's Benchmark by 8.5% per year annualized. Eight of these investments have achieved annualized returns that exceed their Benchmark by more than 10% per year and two have achieved annualized returns that exceed their Benchmark by more than 20% per year.

Table VII.
Top performing stocks owned less than five years

	Year of First Purchase	Cumulative Total Return Since First Date of Purchase
Schrodinger, Inc.	2018	748.5%
Kinsale Capital Group, Inc.	2016	480.9
Wix.com Ltd.	2016	446.3

We exclusively purchase small-cap companies that we think can double in size in a five- or six-year period. Investments held for less than 5 years include 18 stocks that account for 8.4% of the Fund's net assets. As a group, they have returned 69.7% annually based on weighted average assets since their initial purchase and exceeded the Benchmark by 61.3% annualized. Our investment in **Schrodinger, Inc.**, which we highlighted in last quarter's letter, has increased nearly 750% since our initial purchase (please see Table VII). Excluding Schrodinger, the cohort of investments held for less than five years has compounded at 35.7% annually, which has exceeded the Benchmark by 26.7% annualized.

Portfolio Holdings

As of June 30, 2020, Baron Growth Fund held 51 investments. The top 10 holdings represented 53.2% of the Fund's net assets. All top 10 investments have grown dramatically since they were purchased. All were small-cap businesses at their time of purchase. We believe they all continue to offer significant further appreciation potential, although we cannot guarantee that will be the case. We believe the Fund's diversified portfolio offers investors potentially better-than-market returns with less risk than the market. Note that diversification cannot guarantee a profit or protect against loss.

Baron Growth Fund only purchases small-cap companies. Since the Fund holds its investments for the long term, the Fund has a significant percentage of assets invested in securities that have appreciated beyond their market capitalizations at the time of the Fund's investment. Baron Growth Fund's median market cap is $4.4 billion and its weighted average market cap is $13.4 billion. The Morningstar U.S. market breakpoints for small- and mid-cap funds were $3.9 billion and $23.8 billion, respectively, as of June 30, 2020.

Table VIII.
Top 10 holdings as of June 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Quarter End Investment Value (millions)	Percent of Net Assets
MSCI, Inc.	2007	$1.8	$27.9	$594.2	8.7%
CoStar Group, Inc.	2004	0.7	28.0	522.3	7.7
ANSYS, Inc.	2009	2.3	25.0	436.1	6.4
FactSet Research Systems, Inc.	2006	2.5	12.4	410.6	6.0
Vail Resorts, Inc.	1997	0.2	7.3	371.6	5.5
IDEXX Laboratories, Inc.	2005	1.9	28.0	330.2	4.8
Arch Capital Group Ltd.	2002	0.4	11.6	274.2	4.0
Choice Hotels International, Inc.	1996	0.4	4.4	236.7	3.5
Iridium Communications Inc.	2014	0.6	3.4	225.5	3.3
Bio-Techne Corporation	2009	2.1	10.1	224.5	3.3

Baron Growth Fund

Thank you for joining us as fellow shareholders in Baron Growth Fund. We are appreciative of the confidence you have shown in us. We will continue to work hard to justify your confidence.

Respectfully,

Ronald Baron
CEO and Lead Portfolio Manager

Neal Rosenberg
Co-Portfolio Manager

Investors should consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus and summary prospectus contain this and other information about the Funds. You may obtain them from its distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting www.BaronFunds.com. Please read them carefully before investing.

Risks: The Adviser believes that there is more potential for capital appreciation in smaller companies, but there also may be more risk. Specific risks associated with investing in smaller companies include that the securities may be thinly traded, and they may be more difficult to sell during market downturns. The Fund may not achieve its objectives. Portfolio holdings are subject to change. Current and future portfolio holdings are subject to risk.

The discussions of the companies herein are not intended as advice to any person regarding the advisability of investing in any particular security. The views expressed in this report reflect those of the respective portfolio managers only through the end of the period stated in this report. The portfolio manager's views are not intended as recommendations or investment advice to any person reading this report and are subject to change at any time based on market and other conditions and Baron has no obligation to update them.

This report does not constitute an offer to sell or a solicitation of any offer to buy securities of Baron Growth Fund by anyone in any jurisdiction where it would be unlawful under the laws of that jurisdiction to make such offer or solicitation.

The portfolio manager defines "**Best-in-class**" as well-managed, competitively advantaged, faster growing companies with higher margins and returns on invested capital and lower leverage that are leaders in their respective markets. Note that this statement represents the manager's opinion and is not based on a third-party ranking.

Alpha: measures the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta.

Beta: measures a fund's sensitivity to market movements. The beta of the market (Russell 2000 Growth Index) is 1.00 by definition.