

## **Baron Capital Management, Inc. – Form CRS Client Relationship Summary – May 27, 2024**

Baron Capital Management, Inc. (“**BCM**”, “**we**”, “**our**” or “**us**”), is an investment adviser registered with the U.S. Securities and Exchange Commission (the “**SEC**”). We feel it is important for you to understand how advisory and brokerage services and fees differ in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

### **What investment services and advice can you provide me?**

We offer investment advisory services to high-net worth individuals, pooled investment vehicles, pension and profit-sharing plans, charitable organizations, corporations, and other entities. Our investment services include managing proprietary privately managed funds in which some advisory clients invest (the “**Private Funds**”), advising clients with separately managed accounts (“**SMA**s”) and accounts sponsored by unaffiliated broker-dealers, where we manage investments in such accounts, and the total client fee covers our advisory fee as well as the sponsoring broker-dealer’s brokerage, execution, clearing and custodial costs (“**Wrap-Fee Accounts**”). We manage client assets and the Private Funds utilizing proprietary investment strategies involving investments in growth businesses for capital appreciation potential. Investments primarily consist of common stocks. Accounts we managed are not part of a balanced investment plan. As part of our advisory services, we provide ongoing monitoring of your investments. We do not have an obligation to update recommendations made previously; and do not make implied hold recommendations. You make the ultimate decision regarding the investment strategy and the purchase or sale of investments given your investment objective, risk tolerance, financial circumstances, and investment needs. Refer to our [Form ADV Brochure](#) under the sections titled: “Types of Clients”, “Securities Analysis”, “Investment Strategies and Risk of Loss”, “Directed Brokerage” and our [Form ADV Part 1A](#) under Item 5.I and 5.I.(2). Investing in securities involves risks. There is no assurance that you will meet your investment goals, and you may lose money. Material risks are discussed in our [Form ADV Brochure](#) under “Investment Strategies and Risk Loss” and in Private Fund offering documents. Please review the risks before investing.

Our accounts are managed on a discretionary basis which means that we do not need to call you when buying or selling securities in your account. We review and monitor client accounts. Additional information about our advisory services is described in our [Form ADV Brochure](#) under the sections titled: “Advisory Business”, “Types of Clients”, “Security Analysis”, “Investment Strategies and Risk of Loss” and “Review of Accounts.”

### **Questions to Ask Us:**

- ***Given my financial situation, should I choose an investment advisory service? Why or why not?***
- ***How will you choose investments to recommend to me?***
- ***What is your relevant experience, including your licenses, education, and other qualifications? What do those qualifications mean?***

### **What fees will I pay?**

Advisory fees are charged based on a percentage of assets under management with BCM (generally quarterly in arrears) and vary with the inception date of a client’s account, the initial or potential size of the account, the product/strategy, the entirety of the client’s or any of its affiliates’ relationship with BCM and its affiliates, and other factors that BCM deems relevant. With asset-based fees, the larger your account the more you may pay in fees. Advisory fees are subject to negotiation. Qualifying clients who invest in certain Private Funds will also be charged a performance-based fee.

Minimum investment amounts in a Private Fund are specific to each fund, but generally require at least \$250,000. For SMA accounts minimums generally require at least \$10 million. For Wrap-Fee accounts, account minimums are determined by the sponsoring broker-dealer and described in such broker-dealer’s account opening documents.

You will also indirectly pay a proportionate share of fees and expenses incurred by a Private Fund, including brokerage fees, registration and filing fees, professional fees, and/or director fees. You may incur costs on your own related to your own investigation and review of the documentation for the specific Private Funds in which we advise you to invest. SMA accounts may pay separate brokerage, clearing, custodial, administrative and transfer fees charged or assessed by the broker-dealer which holds the SMA. Wrap-Fee Accounts may pay additional fees if a broker-dealer (other than the sponsoring broker-dealer) executes a trade for your account. Additional information about our fees is described in the “Fees and Compensation”, “Performance-Based Fees and Side-by Side Management”, “Brokerage Practices” and “Directed

Brokerage” sections of our ADV Brochure available online at [www.BaronFunds.com](http://www.BaronFunds.com). ***You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.***

**Questions to Ask Us:**

- ***Help me understand how these fees and costs will affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs and how much will be invested for me?***
- ***How do you determine what fee will be charged?***  
**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we provide you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples:*

- We recommend proprietary products and/or services and our affiliates also receive compensation based on your investments, which is derived from the advisory fees earned on your investments.
- We recommend a limited number of our own proprietary mutual funds, Private Funds and/or investment strategies. There may be other investments and products that better suit your needs.
- A potential conflict of interest could arise when executing trades for accounts which pay fees on different schedules.
- We benefit when we use client brokerage commissions, or aggregate clients’ orders, to obtain research or brokerage services, which we would otherwise have to produce internally or purchase.

For additional information about conflicts see the “Code of Ethics, Participation in Client Transactions and Personal Trading” and “Research Products and Brokerage Services Received by BCM” sections of our Firm Brochure available at [www.BaronFunds.com](http://www.BaronFunds.com). and the offering documents for the Private Funds.

**Questions to Ask Us:**

- ***How might your conflicts of interest affect me, and how will you address them?***  
**How do your financial professionals make money?**

Our financial professionals are also associated with our investment advisory affiliate, BAMCO, Inc. (“**BAMCO**”) (See [BAMCO ADV Brochure](#)) and are registered representatives of our broker-dealer affiliate, Baron Capital, Inc. (“**BCI**”) (See [BCI Form CRS](#)). Each financial professional is paid by BCI a base salary plus: (i) a commission on the initial sale of BAMCO mutual funds; (ii) a commission on the initial sale of Private Fund interests effected by or credited to such professional, and payments for the next two years; (iii) a commission equal to a percentage of the advisory fees we receive from each SMA made or credited to such professional for the first two calendar quarters after the SMA account is opened; (iv) a negotiated portion of the wrap-fee we receive for each Wrap-Fee Account for which the professional is credited. Financial professionals may also receive an annual discretionary bonus, and our CEO, Ronald Baron, receives a discretionary bonus determined by the independent directors of Baron Capital Group, Inc. These relationships create a conflict of interest as our finance professionals have an incentive to recommend products which create compensation streams for us, them and our affiliates, as well as differing compensation streams for themselves. For example, financial professionals may have an incentive to recommend investments in Private Funds rather than mutual funds since they will receive compensation for two years in addition to compensation at the time of initial investment.

**Do you or your financial professionals have legal or disciplinary history?**

No. Visit [investor.gov/CRS](http://investor.gov/CRS) for a free and simple search tool to research our Firm and our financial professionals.

**Questions to Ask Us:**

- ***As a financial professional, do you have any disciplinary history? For what type of conduct?***

**Additional Information**

You can find additional information about our firm’s investment advisory services on the SEC website at <https://adviserinfo.sec.gov/> by searching CRD #110791. You may also contact our Firm at (212) 583-2000 to request additional information about the Firm and to request a copy of Form CRS.

**Questions to Ask Us:** *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”*

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