

# The FBR Funds

## **PROXY VOTING POLICIES AND PROCEDURES**

It shall be the policy of The FBR Funds (the “Trust”), on behalf of certain individual series (the “Funds”) as listed in Schedule A, to delegate the authority to vote proxies related to Fund portfolio securities to FBR Fund Advisers, Inc. (the “Advisor”), the Funds’ investment advisor.

The Board of Trustees of the Trust therefore adopts the Proxy Voting Policy of the Advisor, which is attached hereto, as the proxy voting policies and procedures that the Advisor will use when exercising voting authority on behalf of the Funds. For these purposes, the Advisor’s proxy voting policies and procedures include the proxy voting policies and procedures of any Sub-Advisor that sub-advises a Fund to the extent that the Advisor’s proxy voting policies and procedures delegate proxy voting authority to such Sub-Advisor with respect to that Fund.

The Board of Trustees of the Trust has appointed a committee of the Board (the “Proxy Committee”) for the purpose of providing the Funds’ consent to vote in matters where the Advisor or Sub-Advisor seeks such consent because of a conflict of interest that arises in connection with a particular vote or for other reasons.

## **Schedule A**

List of the Series of The FBR Funds advised by FBR Fund Advisers, Inc. covered under these policies and procedures.

- FBR Large Cap Financial Fund
- FBR Small Cap Financial Fund
- FBR Small Cap Fund
- FBR Large Cap Technology Fund
- FBR American Gas Index Fund
- FBR Small Cap Technology Fund