

October 1, 2026

Q&A: Proposed Merger of Davis Research Fund into Davis Select U.S. Equity ETF

Anticipated Key Merger Dates:

- Shareholder Meeting Date: November 10, 2026
- Merger Closing Date: On or about November 13, 2026

Details about the Proposed Merger

Question: I understand that there will be a proposed merger of Davis Research Fund into Davis Select U.S. Equity ETF. What can you tell me?

Answer: Yes, that is correct. The Board of Directors of Davis Research Fund approved the proposed merger of Davis Research Fund into Davis Select U.S. Equity ETF, subject to Davis Research Fund shareholder approval. A special meeting of the Davis Research Fund shareholders is anticipated to occur on November 10, 2026, in which Davis Research Fund shareholders will vote on the aforementioned proposal.

Importantly, to receive shares of an ETF as part of the proposed reorganization, fund shareholders must hold their shares through an account that can hold shares of an ETF (i.e., a brokerage account). If fund shareholders do not hold their shares through an account that can hold an ETF, they will not receive shares of an ETF as part of the proposed reorganization.

Please note that the proposed reorganization may result in a liquidation and potential taxable event in certain accounts. See below for details.

Question: What are the reasons for the proposed reorganization?

Answer: Davis Research Fund is a separate series of Davis New York Venture Fund, Inc. Davis Research Fund began operations on October 31, 2001. Davis Research Fund is only available for purchase by current and former directors, officers, and employees of Davis Research Fund or its Adviser and Sub-Adviser (and the investment adviser itself and affiliated companies). It has not been made available to the public. Davis Research Fund was set up to provide the Adviser with a tool to evaluate analyst performance. Internally it is managed on a sleeve basis with the Adviser allocating capital to analysts. The Adviser's view is that using firm capital as an evaluation tool is more effective than maintaining paper portfolios. This vehicle has also required Board of Directors and compliance oversight which has been helpful. Davis Research Fund has 9 shareholders and the Adviser owns approximately 99% of the shares.

Though Davis Research Fund has served its purpose over the past 20-plus years, the Adviser believes that Davis Research Fund is no longer necessary given the experience levels and tenure of the analysts combined with other sleeve-managed funds that report on analyst performance. For newer analysts, the Adviser may use a custody account at a significantly smaller scale.

Differences between ETFs and Mutual Funds

Question: What are the differences between an ETF and a mutual fund?

Answer: ETFs are structurally different from mutual funds in several important aspects:

ETFs:

- do not issue multiple classes of shares (note: Davis Research Fund also does not issue more than one class of shares)
- individual investors buy or sell shares of an ETF on the secondary market through an exchange
- buy and sell orders are processed throughout the day and reflect real time market prices on an exchange

Mutual Funds:

- may offer multiple share classes with different sales charges, expenses, and/or minimum investments
- investors or their intermediaries buy or sell shares directly from the mutual fund
- buy and sell orders are processed once a day using the day's ending NAV

Question: Are there benefits as a result of these structural differences?

Answer: Yes, and these benefits include secondary market liquidity and increased transparency. Davis Select U.S. Equity ETF discloses its fully holdings on a daily basis, while Davis Research Fund does not provide daily holdings transparency.

Question: How about risks associated with an ETF structure?

Answer: There are certain risks associated with an ETF structure, including the risk that shares of an ETF will trade at market prices that are above (premium) or below (discount) NAV, or that an ETF's "authorized participants" will not engage in creation

or redemption transactions which could cause the ETF's shares to trade at a discount to NAV and possibly face trading halts and/or delisting.

For a detailed list of the risks applicable to each Fund, see the Prospectus and Statement of Additional Information of each Fund.

Holding ETF Shares

Question: What types of shareholder accounts can receive shares of an ETF as part of the proposed merger?

Answer: If you hold your Davis Research Fund shares in an account that permits you to purchase securities traded on U.S. stock exchanges, such as ETFs or other types of stocks, you are eligible to receive shares of the ETF in the reorganization. No further action is needed by you.

Question: What types of shareholder accounts cannot receive shares of an ETF as part of the proposed merger?

Answer: The following account types cannot hold ETFs:

If you hold your Davis Research Fund shares in an account with a financial intermediary that only allows you to hold shares of mutual funds in the account, you will need to contact your broker or financial intermediary to transfer your shares to an existing or new brokerage account that permits investment in ETF shares. If requested, Davis Selected Advisers, L.P. can assist you with opening a brokerage account if you do not already have one.

If you do nothing, you will not receive shares of the ETF and your position will be liquidated at the time of the reorganization (which is subject to a shareholder vote) and you will receive a cash distribution equal in value to the NAV of your Davis Research Fund shares on the Closing Date (anticipated to be November 13, 2026) less any fees and expenses your intermediary may charge. This event may be taxable. To prevent a taxable event, please contact your broker or financial intermediary or Davis Selected Advisers, L.P. to transfer your shares to an existing or new brokerage account.

Question: How do I transfer my Davis Research Fund shares to a brokerage account that will accept ETF shares?

Answer: The broker where you hold your Davis Research Fund shares should be able to assist you in transferring your shares to a brokerage account that can accept shares of an ETF.

We suggest you provide your broker with a copy of your most recent shareholder statement. Your broker will require your account number, which can be found on your statement. Your broker will help you complete a form to initiate the transfer. Once you sign that form, your broker will submit the form to the Davis Research Fund's transfer agent directly, and the shares will be transferred into your brokerage account. The sooner you initiate the transfer, the better.

If you don't have a brokerage account or a relationship with a brokerage firm, you will need to open an account with a brokerage firm (and as previously noted, upon request, Davis Selected Advisers, L.P. can assist you in doing so).

Question: What if I do not want to own shares of an ETF?

Answer: If you do not want to receive shares of the ETF in connection with the proposed merger, you can exchange your Davis Research Fund shares for shares of another Davis Fund that is not participating in a reorganization into an ETF or redeem your fund shares. Prior to doing so, however, you should consider the tax consequences associated with either action. Exchange or redemption of your Davis Research Fund shares may be a taxable event if you hold your shares in a taxable account.

The last date to redeem your Davis Research Fund shares or exchange Davis Research Fund shares of another Davis mutual fund prior to the proposed reorganization is November 10, 2026.

Proposed Merger/Taxation

Question: Is the proposed reorganization considered a taxable event for federal income tax purposes?

Answer: The proposed reorganization is expected to be a tax-free reorganization for federal income tax purposes, which is a non-waivable condition of the proposed reorganization. As part of the proposed reorganization, some shareholders may receive cash in redemption of fractional shares, which may be a taxable event for applicable shareholders.

Different tax considerations apply to you if your investment is liquidated and the cash value of your Davis Research Fund shares is returned to you, if you hold your Davis Research Fund shares through an account that cannot hold ETF shares at the time of the reorganization, or if your Davis Research Fund shares are transferred by your broker or financial intermediary to a different investment option because you did not hold your Davis Research Fund shares through an account that can accept shares of ETFs on the Closing Date of the reorganization.

Shareholders who hold shares through an account that cannot hold shares of an ETF at the time of the reorganization will have their investments liquidated and may receive cash, which may be a taxable event for shareholders. Capital gains from securities sales by Davis Research Fund prior to the reorganization will be distributed by Davis Research Fund prior to the reorganization.

Shareholders who do not want or cannot hold ETF shares may redeem out of Davis Research Fund or exchange their Davis Research Fund shares for shares of another fund. A redemption or exchange of fund shares would generally be a taxable event for shareholders holding shares in taxable accounts.

For any questions, you can reach the Davis Funds team at 800-279-0279.

The foregoing is not a solicitation of any proxy. For a free copy of the prospectus/proxy statement available on or after October 30, 2026 describing the reorganization (and containing important information about fees, expenses and risk considerations) and a prospectus for Davis Select U.S. Equity ETF, please call Davis Funds at 800-279-0279. The prospectus/proxy statement will also be available for free on the Securities and Exchange Commission's website (www.sec.gov).

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