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– Registered Investment Adviser –

Investment Adviser Brochure & Brochure Supplement

(Form ADV Part 2A & Part 2B)

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This brochure provides information about the qualifications and business practices of Kahn Brothers Advisors LLC. If you have any questions about the contents of this brochure, please contact Kahn Brothers Advisors LLC at 212-980-5050. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration as an investment adviser does not imply a certain level of skill or training.

Material Changes

This section describes any material changes that have been made to this brochure since its last annual update in March 2012.

There have been no material changes to this Form ADV since the last filing.

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Section 1 Advisory Business

Kahn Brothers Advisors LLC (the "Firm"), a wholly owned subsidiary of Kahn Brothers Group, Inc., is a money manager and Registered Investment Adviser. The Firm was founded in July of 1978 as Kahn Brothers & Co., Inc. Over time, the corporate structure changed, resulting in the creation of Kahn Brothers Group, Inc. and its subsidiaries. Kahn Brothers Advisors LLC has no subsidiaries of its own. Kahn Brothers Group, Inc. and its subsidiaries are privately held with two principal owners possessing at least 25% of the company: Thomas Graham Kahn, the Firm's president, and Donald Kahn, a non-employee director of the Firm.

As of December 2012, Kahn Brothers Advisors LLC managed $634,330,421 of assets on both discretionary and non-discretionary bases. All funds are kept in individually managed portfolios that are custodied at various outside institutions such as Pershing LLC (a subsidiary of The Bank of New York Mellon Corp.), Charles Schwab & Co. Inc., Morgan Stanley Smith Barney LLC.

The Firm's clients include individuals and families, as well as institutions such as pension funds, charities and foundations. Since the Firm keeps its client portfolios separated from one another, its managers have the ability to offer clients a good degree of personalization in terms of investment parameters and objectives. If a client prefers not to own particular stocks or stocks in particular industries, the Firm can accommodate those requests. All restrictions must be written into the client's original Investment Advisory Agreement with the Firm or added per subsequent revision to that Investment Advisory Agreement in order to be implemented. Nevertheless, despite the Firm's flexibility, it prefers its discretionary clients to be familiar and comfortable with its investment style and to provide it with the maximum amount of flexibility in implementing its investment decisions.

Kahn Brothers Advisors LLC primarily focuses on publically-traded U.S. equities — mostly stocks traded on the New York Stock Exchange and the NASDAQ Stock Market. However, the Firm does occasionally purchase securities that trade on different markets and in foreign countries.

Kahn Brothers Advisors LLC employs a modified Graham and Dodd value investing style. The Firm's investment methodology has always been rooted in value investing — back to its inception in 1978 and before. The Firm's chairman, Irving Kahn, was a teaching assistant at Columbia University to Benjamin Graham, the founder of value investing. The Firm's principals have been using a modified version of this methodology to manage their personal money as well as their clients' money throughout the entirety of their careers. It is this depth of experience that gives the Firm's principals the ability to judge and assess securities with an eye for safety and long-term appreciation. The principals of Kahn Brothers Advisors LLC believe that personal judgment, gained only from decades of experience, is essential to making prudent, informed and satisfactorily risk-averse investment decisions.

The Firm's particular value style seeks stocks that offer an adequate return on capital over long periods of time, while presenting a satisfactory margin of safety. Its managers are not focused on short-term results, choosing instead to concentrate on long-term returns over periods of years or even decades. The duration of a typical investment may be three to five years or longer.

The Firm's managers, as value investors, look for stocks that are trading near to or below their "intrinsic values." Value can be measured in many ways, but Kahn Brothers Advisors LLC tends to use a blend of a number of value metrics, including (among many) book value, tangible book value, earnings per share, net working capital and cash flow. After the managers have identified a

stock that trades at a discounted price compared to its value, they look for catalysts that might unlock that value and cause the price to rise to a level that is more commensurate with the value.

The Firm's investment decisions are based on fundamental analysis of securities. The managers seek a detailed understanding of target companies, their industries and the positions of those companies relative to their competitors. When possible, the managers engage in direct dialog with CEOs, CFOs and other members of the companies' senior managements. The managers also review and analyze multiple sources of data and information, including SEC filings, financial statements, industry publications and a number of electronic sources. The Firm employs primarily a "bottom-up" stock selection process — that is, the process of making investment decisions based on the analysis of individual companies as opposed to the analyses of broad "macro" factors such as the movement of the economy or of interest rates.

The Firm's managers seek value opportunities wherever they may find it. They find attractive situations in companies large and small and across the spectrum of the world's industries. The most important singular criterion that the Firm seeks before making an investment is an attractive ratio of a security's price to its value. The price to value relationship — as opposed to the company's market capitalization or industry — is key to the Firm's investment process.

Kahn Brothers Advisors LLC manages accounts with and without discretion. However, the vast majority of client accounts are managed with full discretion. Discretionary accounts are reviewed on a frequent, periodic basis and holdings are monitored and adjusted as necessary. The Firm may consider many factors before making changes to supervisory portfolios including the client's other assets, investments, insurance, personal and family obligations and other articulated factors. Accounts over which Kahn Brothers Advisors LLC does not have discretion are reviewed on a more infrequent basis or upon communication from the client. These non-discretionary accounts tend to hold a mix of solicited and unsolicited securities and trade mostly, but not always, at the request of the client.

Kahn Brothers Advisors LLC's accounts that are custodied at certain specific institutions may be subject to wrap fee programs. The Firm manages accounts pursuant to these programs for clients who broker at Morgan Stanley Smith Barney LLC. The Firm charges these clients its customary advisory fees. In addition to these types of accounts, the Firm also manages accounts at individually contracted rates for clients who have been referred by financial consultants. There is no difference in the manner in which Kahn Brothers Advisors LLC manages accounts with wrap fee programs or other individually contracted rates and accounts without such programs or rates.

Section 2 Fees and Compensation

Kahn Brothers Advisors LLC charges an advisory fee that is a percentage of the assets in the client's account.

In most cases, Kahn Brothers Advisors LLC charges an advisory fee of 1% of assets under management. The assets are appraised at market value at the end of each calendar quarter. The advisory fee is subject to negotiation between the client and the Firm. As a result, it may be larger or smaller than 1% of assets and may, in some instances, exclude cash and equivalents.

Generally speaking, advisory fees are paid in advance, at the start of the calendar quarter. Although not typical, some clients may pay their advisory fees in arrearage or at another date agreed upon between the client and the Firm. Advisory fees are computed at the beginning of

each quarter by applying one-quarter ($^1/_4$) of the annual rate to the aggregate value at the end of the previous quarter. Also, the Firm maintains a small number of legacy clients that pay fixed, non-variable advisory fees that were negotiated long before the Firm's standard billing practices were implemented.

Advisory fees can either be deducted directly from a client's portfolio or can be billed to the client and paid in a manner of the client's choosing. Clients whose assets are domiciled at Pershing LLC (a subsidiary of The Bank of New York Mellon Corp.) — which is the clearing agent for the Firm's affiliated broker-dealer, Kahn Brothers LLC — generally have fees deducted directly from their accounts.

The Firm does not currently charge performance-based fees to any of its clients. However, such fees may be negotiated into a client's billing arrangements per mutual agreement between the client and the Firm.

Clients wishing to terminate an advisory contract must present written notice to the Firm. In such instances, the current quarter's advisory fee is refundable only if the written notice is received at least 60 days before the next billing date. The amount of money to be refunded is calculated on a pro-rata basis. However, at the discretion of the Firm's management, the Firm can waive the requirement of 60 days notice and refund the prepaid amount to the client regardless of the date that the termination notice is received.

Kahn Brothers Advisors LLC uses an affiliated broker-dealer, Kahn Brothers LLC, to transact most of its securities trades. When executing trades through this broker-dealer, Kahn Brothers LLC receives commissions pursuant to the agreement between it and the client. Commissions to the broker-dealer's clients are not "marked up." Advisory clients who choose to use the services of Kahn Brothers LLC may negotiate commission rates at the same time that they negotiate advisory fees with the Firm. Clients also have the option of executing investments that the Firm recommends through brokers or agents that are not affiliated with the Firm.

Kahn Brothers Advisors LLC and its affiliated businesses do not give any of their employees special compensation of any kind for promoting particular securities or investment products. Such compensation, while not illegal, presents a conflict of interest and is against company policy.

Kahn Brothers Advisors LLC; its affiliated broker-dealer, Kahn Brothers LLC; and its other affiliated businesses are not custodians for clients' assets. All clients' assets are custodied at independent custodians that are selected by the client. However, most of the Firm's clients choose to custody their assets at Pershing LLC. Custodian institutions may charge custody fees to be determined by the institutions themselves and subject to terms outside of the purview and influence of Kahn Brothers Advisors LLC, Kahn Brothers LLC and any of the Firm's other affiliated companies.

Kahn Brothers Advisors LLC's accounts that are custodied at certain specific institutions may be subject to wrap fee programs. The Firm manages accounts pursuant to these programs for clients who broker at Morgan Stanley Smith Barney LLC. The Firm charges these clients its customary advisory fees. In addition to these types of accounts, the Firm also manages accounts at individually contracted rates for clients who have been referred by financial consultants. There is no difference in the manner in which Kahn Brothers Advisors LLC manages accounts with wrap fee programs or other individually contracted rates and accounts without such programs or rates.

Section 3 Performance-Based Fees and Side-By-Side Management

Performance-based fees are fees that an investment adviser or fund manager assesses in proportion to the profits earned in the client's account or in the fund. Typically, profits and losses are calculated in dollar amounts as a net figure. Any losses, realized and unrealized, are netted out against realized and unrealized gains. This creates a "high water mark" that must be surpassed (in addition to any hurdles or other provisions) before performance-based fees can be assessed.

Kahn Brothers Advisors LLC currently charges performance-based fees to a small number of accounts.

Performance-based fees can incentivize managers to perform better for their clients. However, these fees can also encourage excessive risk-taking.

Performance-based fees can, in some instances, create a conflict of interest. This can arise when an investment adviser manages performance-based fee accounts side-by-side with accounts that don't charge such fees. When there is side-by-side management, investment advisers may be encouraged to offer more services or better service to those accounts that have the performance-based fees.

The employees at Kahn Brothers Advisors LLC and its affiliated businesses are aware of this potential conflict of interest and make a point of managing all accounts in an equal manner regardless of the accounts' individual fee structures or any other distinguishing factors. None of the Firm's discretionary accounts is reviewed more or less frequently than any other. It is against Firm policy to give favor to any one account over another.

Kahn Brothers Advisors LLC's principals, compliance officer and supervisory employees continually monitor the Firm's personnel to ensure equal treatment of all accounts. Also, regulators from the Financial Industry Regulatory Authority Inc. (FINRA) and the United States Securities and Exchange Commission (SEC) make periodic, on-site examinations of the Firm and its affiliated entities to ensure lawful and ethical management of client accounts and funds.

Section 4 Types of Clients

Kahn Brothers Advisors LLC' services a range of different types of clients. Although the Firm has no restrictions on the type of client it is willing to accept, its principals prefer new clients with a minimum of mid-seven-figures in investable assets. Accounts, however, do not have to maintain a minimum value after they have been opened. The one exception to this policy applies to margin accounts, which are subject to the minimums set by the Federal Reserve System's Board of Governors in Code of Federal Regulations, Title 12, Chapter II, Subchapter A, §220—commonly referred to as Regulation T.

While Kahn Brothers Advisors LLC does maintain some smaller legacy accounts, its principals prefer to take on only larger clients going forward. This allows the Firm to continue to provide its customers with high quality investment services and one-on-one client meetings with its managers. The principals of Kahn Brothers Advisors LLC believe that larger investment advisory companies cannot provide this level of personalized service.

The Firm services a mix of institutional and individual clients. Its principals also manage two partnerships — Kahn Brothers Value Fund LP and Kahn Brothers & Partners LP — through the affiliated entities of Kahn Brothers Asset Management Corp. and KB & Partners Management Co. LLC respectively. Kahn Brothers Advisors LLC includes among its clients its own executives, principals and their families. The Firm uses the same investment approach and provides the same attention to its clients as it does to these personal accounts.

Currently, the Firm's institutional clients include pension funds, charities and foundations. However, the Firm is open to all varieties of institutional customer. The Firm also advises numerous private clients, both individuals and families. Many of these clients have several distinct portfolios that can be managed in concert with each other and according to the wishes of various family members.

Kahn Brothers Advisors LLC and its predecessor company have historically had low client turnover. Many of the Firm's institutional clients have remained with the Firm for decades and many of its private clients are entering into their third generation as customers. Kahn Brothers Advisors LLC believes that this low rate of turnover is due to, first, the Firm's long-term performance over its thirty-two year history; second, its level of personalized service; and, third, its satisfactorily risk-averse investment strategy that prefers to hold positions for three to five years or longer. When the Firm commences a relationship with a new client, it informs him/her of its long-term time horizon with the purpose of ensuring that the customer is comfortable with this approach.

Section 5 Methods of Analysis, Investment Strategies

Kahn Brothers Advisors LLC employs a modified Graham and Dodd value investing style that seeks an adequate return on capital over long periods of time while, importantly, presenting a satisfactory margin of safety. Unlike other investing styles that chase outsized returns with heavy risk associated with them, the Firm's value methodology has the goal of achieving strong, index-beating returns without leverage or excessive risk to the client's investment.

The Firm's principals have been practitioners of value investing back to the Firm's inception in 1978 and long before. In fact, Kahn Brothers Group Inc.'s chairman, Irving Kahn, was the teaching assistant at Columbia University to Benjamin Graham, the creator of the value investing methodology. Since he began his career on Wall Street in the late 1920s, Mr. Kahn discerned what he found to be the superior qualities of value investing — its long-term consistent returns, its downside protection achieved through margin of safety and its foundation in detailed financial analysis.

When Thomas Graham Kahn, the Firm's president and primary investment manager, co-founded the Firm in 1978, he implemented what he believed to be the superior qualities of value investing. As a result, he and the Firm's other founding members decided to use the value approach as the Firm's investment methodology. Over the following decades, the younger Mr. Kahn refined and

modified the value style to generate what is now the modern investment process that Kahn Brothers Advisors LLC uses. It is still heavily rooted in the value tradition and employs the same concern for margin of safety that Benjamin Graham wrote about decades ago in his financial texts.

The Firm believes that it is this depth of experience that gives its principals the ability to judge and assess securities with a focus for safety of principal and long-term appreciation. Having worked on Wall Street through numerous full market cycles, the Firm's principals believe that these decades of experience give them a sense of judgment that is essential to providing prudent, informed and satisfactorily risk-averse investment advice.

Kahn Brothers Advisors LLC is not focused on short-term results, choosing instead to concentrate on long-term returns over periods of years or even decades. The duration of one of the Firm's typical investments may be three to five years or longer. As a result of this long-term focus, the Firm does not render short-term buy/sell decisions. Accordingly, the Firm's clients are subject to fewer commissions and less frequent capital gains taxation than are clients of firms with a shorter time horizon for their investments.

Kahn Brothers Advisors LLC is primarily focused on publically-traded U.S. equities — mostly stocks traded on the New York Stock Exchange and the NASDAQ Stock Market. However, the Firm does occasionally purchase securities that trade on different markets and in foreign countries.

The Firm's investment decisions are based on fundamental analysis of securities. The managers seek a detailed understanding of target companies, their industries and the positions of those companies relative to their competitors. When possible, the managers engage in direct dialog with CEOs, CFOs and other members of the companies' senior managements. The managers also review and analyze multiple sources of data and information, including SEC filings, financial statements, industry publications and a number of electronic sources. The Firm employs primarily a "bottom-up" stock selection process — that is, the process of making investment decisions based on the analysis of individual companies as opposed to the analyses of broad "macro" factors such as the movement of the economy or of interest rates.

The Firm employs what is called "fundamental analysis" or the analysis of a company's individual and industry characteristics and its financial statements. This can be contrasted with "technical analysis," which is the analysis of stock's price history, trading volumes and any patterns that these numbers might contain. Kahn Brothers Advisors LLC is not concerned with this kind of technical analysis, and its analysts prefer to study company data instead of looking for abstract patterns in trading figures. They seek out businesses with little to no debt, reasonable amounts of cash and strong working capital positions.

As for our stock selection process, the Firm uses many sources and methods to find investment opportunities. Generally speaking, its managers look for businesses with little long-term debt, reasonable amounts of cash, strong working capital positions and prices that are near to or below the companies' "intrinsic values." Value can be measured in many ways, but, Kahn Brothers Advisors LLC tends to use a blend of a number of value metrics including book value, tangible book value, earnings per share, net working capital and cash flow. The managers select securities, one at a time, based on asset valuations, operating performance metrics and long-term fundamental business prospects. After they have identified a stock that trades at a discounted price compared to its value, they look for catalysts that might unlock that value and cause the price to rise to a level that is more commensurate with that value.

If there are very few values to be found in a given period, the Firm is perfectly comfortable holding cash, rather than placing money in speculative, overpriced issues. The Firm will not invest in an overpriced market simply to have its clients "fully invested." Instead of risking its clients' money in

frothy, overvalued securities, the Firm would rather wait patiently for attractive situations to present themselves.

The Firm's managers seek value opportunities wherever they may find it. They find attractive situations in companies large and small and across the spectrum of the world's industries. The most important singular criterion that the Firm seeks before making an investment is an attractive ratio of a security's price to its value. The price to value relationship — as opposed to the company's market capitalization or industry — is key to the Firm's investment process.

That having been said, the Firm often purchases small and medium capitalization stocks. Such securities may be traded in the less liquid over-the counter market. These companies frequently have a lesser following among security analysts and institutional investors. Small institutional ownership increases the likelihood of inefficient pricing, which helps to create the bargain opportunities that we seek.

The Firm prefers companies whose managements hold meaningful stakes in their companies and will act in their own, as well as the shareholders', best interests. We are less comfortable with situations in which the management has aggressive compensation packages and nominal ownership interests.

Kahn Brothers Advisors LLC's investment process can often be characterized as "contrarian." For example, the Firm's managers will often look for out-of-favor stocks or depressed economic sectors, rather than the popular industries or names of the day. This means that the Firm may invest in companies that seem, at the time, to be unattractive. Buying at depressed levels is one of the hallmarks of the value investing process. As a result, the Firm often looks for companies that are, at the moment, depressed but whose prospects (as concluded by the Firm's analysis) indicate that the downturn is only temporarily. Such situations may include what are termed "fallen angels." These are quality companies that have suffered short-term and resolvable problems but also maintain the capacity for materially improved long-term earnings in the future.

Section 6 Investment Risks

There are many systemic risks to investing in the securities markets. There are also particular non-systemic risks associated with Kahn Brothers Advisors LLC's specific investment approach. Although the Firm tries to minimize these non-systemic risks through strict risk analysis, it cannot eliminate them entirely and clients should be aware of and familiar with them.

First, there are many systemic risks associated with investment in the stock market in general. This section does not and cannot provide an exhaustive list of those risks. As an example, one basic risk that affects all investments in the stock market is that prices may react negatively to information. For instance, political events, either domestic or foreign, may influence the movement of the markets; monetary policy and general economic policies may also affect the markets; and news regarding the markets themselves can have an affect on the markets.

Also, there is always a degree of risk of loss associated with investing in the markets, and the investor must be prepared to accept the level of risk associated with their particular investment and the possibility of sustaining a loss.

Regarding the non-systemic risks particular to Kahn Brothers Advisors LLC's investment approach, it should first be noted that different institutions have different definitions of "risk." As

long-term investors, Kahn Brothers Advisors LLC defines risk as the potential for *permanent* loss of capital. The Firm does not equate risk with a stock price's volatility, its standard deviation or its variance. Instead, the Firm looks at the factors that might lead to the *permanent* loss of one's investment. A particular stock may go up or down over the duration of an investment. But those ups and downs do not, in our opinion, increase or decrease the fundamental risk of the investment since, in the process, capital is not permanently lost.

The following paragraph details some of the risks that are particular to Kahn Brothers Advisors LLC's investment approach. The information contained hereafter is *not* exhaustive.

First, the Firm's modified value investing approach is just one particular style of stock selection. There is broad universe of different styles, each with its own advantages and disadvantages. Furthermore, there is a wide array of opinions on the strengths and weaknesses of each style. Investors should be aware that any investment with Kahn Brothers Advisors LLC will be made according to its value style — other styles will not be employed — and, therefore, investments with the Firm will not be diversified by investment methodology. The Firm also does not typically invest outside the public equities markets. Therefore, investments with the Firm will not typically be diversified by asset class. However, the Firm's investments may be diversified by industry, geographic region and capitalization. Furthermore, clients may always diversify their investments on a non-discretionary basis.

Second, although many investment professionals believe that a long-term value style entails less risk than do other methodologies, there are still risks associated with the long-term nature of the approach. Kahn Brothers Advisors LLC may hold positions for three to five years or longer. This may create liquidity risk that clients should be prepared to sustain. Between the purchase of a stock and its maturation and eventual sale, there may be temporary down periods when the stock underperforms. As a result, there is the potential for a client's portfolio to produce returns below popular indices — perhaps for multiple annual intervals — in these interim periods. During these times, the Firm generally prefers to hold its positions and perhaps buy more of the stock. Buying more of the stock at lower prices decreases the clients' average cost for the security and increases the his/her potential profit upon the investment's maturation. However, if a client sells the stock during a down period, a loss will be realized and the opportunity for a rebound and profit will be sacrificed.

Third, Kahn Brothers Advisors LLC may invest a client's funds in small-cap stocks (i.e. companies with market capitalizations of $300 million - $2 billion) or micro-cap stocks (i.e. companies with market capitalizations under $300 million). Such stocks may be infrequently traded and perhaps only in over-the-counter markets. Moreover, these stocks have the potential to be inefficiently priced. Investors that take positions in such companies should be familiar with the particular companies' businesses, industries, where the stocks trade, approximately how much volume transacts on a daily basis and if there is a regular market for such stocks.

Section 7 Disciplinary Information

Kahn Brothers Advisors LLC; its related companies; and its predecessor business, Kahn Brothers & Co., Inc. have never been the subject of or associated with legal or disciplinary action of any kind.

Furthermore, the managers and executives of the Kahn Brothers Advisors LLC; its related companies; and its predecessor business, Kahn Brothers & Co. Inc. have never been the subject of or associated with legal or disciplinary action of any kind.

For the purposes of this document, legal or disciplinary action includes civil and criminal allegations in any court of civilian or military justice and any disciplinary events brought forth by a self-regulatory organization (SRO).

The Firm's clean record spans back to the inception of Kahn Brothers & Co., Inc. in 1978. The clean record of the managers and executives of the Firm, its related companies and its predecessor business span the entirety of their respective careers.

Section 8 Other Financial Industry Activities and Affiliations

Kahn Brothers Advisors LLC has numerous professional affiliations, licenses and business relationships of which clients ought to be aware. Also, many of the Firm's executives also have professional affiliations and licenses that are worth noting.

Some of these licenses and affiliations are issued by the United States Securities and Exchange Commission (SEC) and/or the Financial Industry Regulatory Authority, Inc. (FINRA). The SEC is a U.S. government agency that is responsible for enforcing federal securities laws and regulating the securities industry and the nation's stock, options and electronic exchanges and markets. FINRA is a non-governmental, self-regulatory organization (SRO) that regulates member brokerage firms and exchange markets. It was formed as a consolidation of the National Association of Securities Dealers (NASD) and NYSE Regulation Inc., the latter of which was the past regulatory arm of the New York Stock Exchange (NYSE).

Kahn Brothers Advisors LLC is a Registered Investment Adviser (also written "Advisor" in some contexts) with the SEC. Registration as an investment adviser does not imply a certain level of skill or training. A Registered Investment Adviser is an individual or firm that is in the business of giving advice about securities to clients. Individuals or firms that manage more than $25 million — such as Kahn Brothers Advisors LLC — must obtain this registration from the SEC. Those with less than $25 million must register with their local state authority.

An affiliated business, Kahn Brothers LLC, is a registered Broker-Dealer with the SEC and FINRA. Kahn Brothers LLC conducts most trading services for Kahn Brothers Advisors LLC and executes these transactions through its clearing agent, Pershing LLC, a subsidiary of The Bank of New York Mellon Corp. All broker-dealers are required to register with the SEC and join an SRO. Kahn Brothers LLC's predecessor company, Kahn Brothers & Co., Inc., chose to join the NASD upon its inception in 1978. On July 26th, 2007, its membership with the NASD was transferred to the NASD's successor organization, FINRA.

Upon its inception in 1978, Kahn Brothers & Co., Inc., the predecessor company to the Firm's affiliated Broker-Dealer, Kahn Brothers LLC, bought a seat on the New York Stock Exchange. All seat holders were "members" of the NYSE, which was, at that time, a private organization. After the NYSE's transition from a private to a public company on December 6, 2005, Kahn Brothers & Co., Inc.'s membership was transferred into stock ownership in the publically traded NYSE Group, Inc. Since then, NYSE Group, Inc. underwent a number of mergers and has, ultimately, become NYSE Euronext, Inc. Despite its status as a public company, NYSE Euronext, Inc. still

permits firms that used to be members of the formerly private NYSE to keep the designation "Member New York Stock Exchange." Therefore, the affiliated business, Kahn Brothers LLC, maintains the title "Member New York Stock Exchange."

The Firm also maintains numerous business relationships of which clients ought to be aware.

The Firm and its affiliated companies have business relationships with Pershing LLC. Kahn Brothers Advisor LLC's affiliated broker-dealer, Kahn Brothers LLC, uses Pershing LLC as its clearing agent. Also, most of Kahn Brothers Advisors LLC's clients domicile their funds at Pershing LLC. However, clients may custody their assets at any institution of their choosing.

Kahn Brothers Advisors LLC and its affiliated businesses utilize the services of a law firm, an accounting firm and a bookkeeping firm. For legal services, the companies use Windels, Marx, Lane and Mittendorf LLP. For accounting and auditing services, the companies use both Freedman & Company, CPA, P.C. and Lilling & Company LLP. For bookkeeping services, the companies use Freedman & Company, CPA, P.C.

An affiliate of Kahn Brothers Advisors LLC has a relationship with the consultant Sullivan & Serwitz Investment Advisors, Inc.

Kahn Brothers Advisors LLC's principals also manage two limited partnerships. The first is Kahn Brothers & Partners LP, which is managed through the Firm's affiliated entity, KB & Partners Management Co. LLC. The second is Kahn Brothers Value Fund LP, which is managed through the Firm's affiliated entity, Kahn Brothers Asset Management Corp.

Many of the Firm's employees also have professional affiliations that are disclosed below.

Seven of the Firm's employees are General Securities Representatives (also called "Registered Representatives" or "Registered Reps"). Their names are Paula Cutrone, William DeLuca, Karen DeMarco, William Knox, Andrew Kahn, Thomas Graham Kahn and Kenneth Rodwogin. General Securities Representatives are licensed by the SEC and FINRA. Representatives must pass the General Securities Representatives Exam (also called the "Series 7"), which is administered by FINRA.

Seven of the Firm's employees are licensed as Securities Agents, a designation attained after passing the Uniform Securities State Law Exam (also called "Series 63"). Their names are Paula Cutrone, William DeLuca, Karen DeMarco, William Knox, Andrew Kahn, Thomas Graham Kahn and Kenneth Rodwogin. This license entitles a person to solicit orders and transact securities within a particular state. Almost all states in the U.S. require investment professionals who solicit and place securities orders to pass the Series 63 exam. The exam is designed by the North American Securities Administrators Association (NASAA) in cooperation with representatives from the securities industry and industry associations. The test is administered by FINRA.

Two of the Firm's employees, Thomas Graham Kahn and Kenneth Rodwogin, are licensed by FINRA as Equity Trader Limited Representatives, a designation attained after passing the Equity Trader Limited Representative Exam (also called the "Series 55").

Two of the Firm's employees, William DeLuca and Thomas Graham Kahn, are licensed by FINRA as General Securities Principals, a designation attained after passing the General Securities Principal Exam (also called the "Series 24").

Two of the Firm's employees, Thomas Graham Kahn and Kenneth Rodwogin, are licensed by FINRA as Registered Options Principals, a designation attained after passing the Registered Options Principal Exam (also called the "Series 4").

In addition to these designations, Thomas Graham also has six other licenses from FINRA. He is a Branch Office Manager, a designation attained after passing the Branch Office Manager Exams (also called the "Series 10"); a Financial and Options Principal, a designation attained after passing the Financial and Options Principal Exam (also called the "Series 27"); a Municipal Securities Representative, a designation attained after passing the Municipal Securities Representative Exam (also called the "Series 52"); a Municipal Securities Principal, a designation attained after passing the Municipal Securities Principal Exam (also called the "Series 53"); a Supervisory Analyst, a designation attained after passing the Supervisory Analyst Exam (also called the "Series 16"); and a Compliance Official, a designation attained after passing the Compliance Official Exam (also called the "Series 14").

Additionally, Andrew Kahn is currently a candidate for the Branch Office Manager license.

Two of the Firm's employees, Thomas Graham Kahn and Irving Kahn, are Chartered Financial Analyst (also called "CFA") charter holders. The CFA designation is a professional certification granted by the non-profit organization, CFA Institute, to individuals passing the three six-hour exams that the Institute administers on an annual basis.

Section 9 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Kahn Brothers Advisors LLC has a Code of Ethics that acts as a guide for lawful and ethical conduct by all of its employees. The principals of Kahn Brothers Advisors LLC believe that the Firm's good reputation is a direct reflection of the conduct and professionalism of its employees. Employees are, therefore, expected to comply with the Code of Ethics unconditionally.

The Code of Ethics obligates the Firm's employees to maintain and follow their fiduciary responsibilities to the clients of the Firm and of its related entities. This includes, among many things, responsibility of the Firm's employees to *never* (a) serve their own personal interests ahead of clients' interests, (b) take advantage of their position with the Firm or (c) permit an actual or potential conflict of interest or abuse of position of trust and responsibility.

Before entering into an investment advisory relationship with the Firm, all prospective clients are advised that the Firm and its employees own or may own directly or indirectly the same securities that will be recommended and/or purchased for them. If the Firm, its principals and its employees have a material financial interest in a company that it is currently recommending, this interest will be disclosed before dispensing investment advice on that company.

Employees must provide independent, impartial advice; must ensure that advice is suitable to clients' respective investment objectives, needs and circumstances; must obtain best execution for clients' transactions when the Firm, its employees or their families are also transacting the same security; and must safeguard all clients personal, non-public information. The provision relating to clients personal, non-public information applies during and after the employment term of the Firm's employees.

The Code of Ethics also strictly prohibits any actions that are or can be construed as being unethical or illegal. This includes any actions that are or may be interpreted as fraudulent, deceptive or manipulative. Trading on material, non-public information (also known as "insider

information") is strictly forbidden under the Code of Ethics as well as by U.S. federal law in multiple sections of the Securities Exchange Act of 1934 and in Code of Federal Regulations, Title 17, Chapter II, §240.10b-5 (commonly referred to as SEC Rule 10b-5). The Firm has a "zero tolerance" policy for transactions that are motivated by insider information or employ deceptive devices or practices.

The Firm's Code of Ethics is available to any client or prospective client *upon request*.

The principals and employees of Kahn Brothers Advisors LLC as well as some of the Firm's affiliated businesses own or may own shares of the companies that the Firm recommends. The Firm itself generally does not purchase stock in publically traded companies. However, some of its related entities do. The Firm, through the discretionary management of its clients' funds, may control a reportable but passive position in a company (5%-19%). The Firm rarely has an "influence"-bearing position (20%-49%) in a company and never take positions large enough to create a joint venture (50%) or to have control (50+%) over the entity.

The Firm's principals consider the fact that they "eat their own cooking" to be a benefit, not a drawback to the Firm's investment philosophy. Kahn Brothers Advisors LLC prides itself on the fact that it never recommends a stock that its employees don't own themselves directly or indirectly. The Firm's principals have a low tolerance for risk and apply that same satisfactorily risk-averse philosophy to the investment advice they dispense to their clients. Therefore, when the Firm buys a stock on behalf of a client, it is likely that the Firm's principals and employees and, perhaps, even one of the Firm's affiliated companies own the stock as well. The Firm's principals believe that this does *not* create a conflict of interest for two reasons. First, the Firm's position in publically traded companies is almost always passive. And, second, the Firm's principals believe that recommending a stock that one does *not* own is unethical. Therefore, the Firm only subjects its clients to investment risks that the Firm's employees find appropriate for themselves and their families.

It is the policy of the Firm to allocate purchases and sales of securities fairly among its advisory clients and always to give the client priority over the Firm and its related parties in transactions. In situations in which the Firm is purchasing a particular security both for a client and for its own accounts (or an account of a related party), the Firm always has its broker dealer, Kahn Brothers LLC, give priority to the client, ensuring that the client — not the Firm or a related party — gets the best execution. Before transacting in securities for the Firm's accounts, its employees accounts or an account of another related party, the Firm's employees must be aware of whether or not Kahn Brothers Advisors LLC has placed orders for its clients in that same security. If that has in fact occurred, the order room ensures that the client gets the most favorable execution. The Firm's officers regularly review all trading activity in advisory, employee and related party accounts to ensure that this policy is honored.

The Firm occasionally recommends that clients buy and sell investment products in which one of the following related entities — Kahn Brothers Asset Management Corp., Kahn Brothers Value Fund LP, Kahn Brothers & Partners LP or KB & Partners Management LLC — may have a financial interest. Senior officers of the Firm monitor such transactions to equitably resolve potential conflicts of interest.

Section 10 Brokerage Practices

Clients of Kahn Brothers Advisors LLC may select any broker-dealer or custodian of their choosing. However, the Firm does have an affiliated broker-dealer called Kahn Brothers LLC that executes trades for a significant number of the Firm's advisory clients.

If incoming or existing clients asks for broker-dealer recommendations, the Firm informs them that, although they may choose any firm, many clients use Kahn Brothers LLC. Aside from the foregoing, Kahn Brothers Advisors LLC generally does not recommend unaffiliated broker-dealers to its clients. Similarly, although clients may custody their assets at any institution of their choosing, the Firm generally does not recommend custodians other than the affiliated broker-dealer's custody and clearing house, Pershing LLC, a subsidiary of The Bank of New York Mellon Corp. Ultimately, some clients choose to broker and custody at outside institutions but most elect to use the Kahn Brothers LLC and Pershing LLC respectively.

Brokerage commissions in the United States are negotiable, and incoming clients are advised of this fact. Therefore, when a client of Kahn Brothers Advisors LLC commences a relationship with the affiliated broker-dealer, Kahn Brothers LLC, the client is given the opportunity to negotiate the brokerage commissions. The commission agreement is typically specified *by the advisory client* and, for new clients, is formalized in that client's Investment Advisory Contract.

Incoming clients are advised that if they commence a relationship with the affiliated broker-dealer, they will, in all likelihood, not receive the absolute lowest execution charges available. However, clients are informed that the Firm's principals believe that the combined amount of advisory fee paid to Kahn Brothers Advisors LLC *plus* commissions paid to Kahn Brothers LLC equals a reasonable charge for the services that are rendered.

Occasionally, Kahn Brothers LLC will have multiple client orders in the same security to be executed at the same time. When this occurs, the broker-dealer's order room may aggregate these orders if it believes that doing so can effectuate a more favorable execution for the clients. Unfilled bunched orders are allocated by the broker-dealer and the investment adviser to client portfolios in a manner that takes into account factors that may include the clients' existing positions in the security and their respective cash availabilities, among other factors.

Kahn Brothers Advisors LLC does not purchase investment research or exchange research, products or services for soft dollar benefits. Rather, the Firm generates its own research and also receives free research from other investment firms with which it does not have formal business relationships.

Although the Firm has no soft dollar arrangements, the affiliated broker-dealer, Kahn Brothers LLC, has a disclosed agreement through which its clearing and custody firm, Pershing LLC, may provide it with various office services in exchange for which it may receive a percentage of the commissions it receives (subject to certain limitations specified under contract).

Incoming clients are advised that using any broker-dealer that's affiliated with their investment adviser can create incentives for that investment adviser to generate unnecessary trading activity in their accounts. However, Kahn Brothers Advisors LLC believes that its investment strategy — which includes long holding periods and infrequent trading — strongly discourages this behavior and actually results in much a much lower rate of turnover of securities in their portfolios than they would experience with investment advisers that use other, more short-term-oriented investment approaches.

The affiliated broker-dealer, Kahn Brothers LLC, almost never engages in principal transactions or agency cross transactions with the advisory clients of Kahn Brothers Advisors LLC. However, in the extremely rare instance that it considers doing so, the broker-dealer will execute such transactions *only if all of the following considerations are met*: (a) the broker-dealer and the Firm consider the given transaction to be in the interests of the client and its activity to be consistent with both Kahn Brothers Advisors LLC's and Kahn Brothers LLC's fiduciary obligations to that client; (b) the client is informed of the nature of the transaction and the capacity in which the broker-dealer is acting; (c) the consent of the client with which the broker-dealer is transacting has been obtained; and (d) the transaction is within the strictures of Section 206(3) and Rule 206(3)-2 of the Investment Advisers Act of 1940.

It is the policy of the Firm to allocate purchases and sales of securities fairly among its advisory clients and to always give the client priority over the Firm in transactions. In situations in which the Firm is purchasing a particular security both for a client and for its own accounts (or an account of an employee or another related party), the Firm always has its broker dealer, Kahn Brothers LLC, give priority to the client, ensuring that the client — not the Firm or a related party — gets the best execution. Before transacting in securities for the Firm's accounts, its employees' accounts or an account of a related entity, employees of the Firm must be aware of whether or not Kahn Brothers Advisors LLC has placed orders for its clients in that same security. If that has in fact occurred, the order room ensures that the client gets the most favorable execution. The Firm's officers regularly review all trading activity in advisory, employee and related party accounts to ensure that this policy is honored.

The Firm occasionally recommends that clients buy and sell investment products in which one of the following related entities — Kahn Brothers Asset Management Corp., Kahn Brothers Value Fund LP, Kahn Brothers & Partners LP or KB & Partners Management Co. LLC — may have a financial interest. Senior officers of the Firm monitor related such transactions to equitably resolve potential conflicts of interest.

Section 11 Review of Accounts

Senior officers of Kahn Brothers Advisors LLC make an effort to review all discretionary accounts on a frequent and periodic basis. They endeavor to review accounts monthly, although some accounts may be reviewed more or less frequently at the managers' discretion. The Firm's principals believe this interval is appropriate for reviewing accounts that follow the Firm's long-term, low-turnover investment strategy.

Reviews are conducted by the Firm's President, Thomas Graham Kahn, the Firm's Senior Vice President, William Knox, and/or the Firm's Chairman, Irving Kahn. Evaluations involve, among other factors, analyses of the portfolio's cash-to-equities ratio, its diversification by company, its diversification by sector and the timing and availability of other attractive investments that are suitable for the client. Reviews also take into account a client's investment goals and restrictions, his/her short-term and long-term financial needs and the suitability of the portfolio's holdings in relation to these factors.

General market conditions and company- and industry-specific news are also tracked on a continuous, pro-active basis. Significant events may trigger additional portfolio reviews.

Also, changes in a client's financial or social circumstances may trigger an additional portfolio review.

Clients receive printed quarterly portfolio appraisals that are generated by the Firm's internal account software. These appraisals display the account's holdings by name, the weights of individual positions in the portfolio and the cost and current market value of each position. If a client wishes to receive these appraisals more or less frequently or on a different cycle, this can be arranged at the client's request.

Section 12 Client Referrals and Other Compensation

Occasionally, Kahn Brothers Advisors LLC may pay a financial consultant or solicitor for referring a client to the Firm. In such instances, this type of compensation will only occur if the relationship with the consultant or outside individual is disclosed and his/her compensation enumerated in the relevant client's Investment Advisory Contract and Disclosure Document for Solicitor. Both of these documents are signed by the referred client when he/she begins his/her investment advisory relationship with the Firm. The client is also advised that he/she may pay more for services obtained through a consultant or solicitor than would otherwise. Additional services provided by a consultant or solicitor, if any exist, must be negotiated between the client and the consultant or solicitor.

Currently, however, the Firm has no compensated referral arrangements with any consultants or solicitors.

Additionally, the Firm generally does not receive economic benefit from non-clients in exchange for giving investment advice to clients.

Section 13 Custody

Kahn Brothers Advisors LLC does not custody assets for its clients. Clients custody their assets at outside institutions, most often at Pershing LLC, a subsidiary of The Bank of New York Mellon Corp. However, assets may be custodied at any qualified institution of the client's choosing. Clients who choose to custody their assets at Pershing LLC frequently execute their trades through the Firm's affiliated broker-dealer, Kahn Brothers LLC — but they are not required to do so.

When clients custody their assets at Pershing LLC, the Firm's affiliated broker-dealer, Kahn Brothers LLC, receives 12b-1 fees on investments in money market funds and mutual funds. Form ADV flied with the SEC advises clients that these fees are in addition to advisory fees charged by the Firm and commission charged by their broker-dealer.

In addition to quarterly appraisals sent to the client from Kahn Brothers Advisors LLC, the client will also receive statements from his/her chosen custodian institution. All clients should carefully review these statements and appraisals, as well as all confirmations and statements sent by the

client's chosen broker-dealer and banking institution. In addition, Kahn Brothers Advisors LLC urges its clients to compare and reconcile the appraisals they receive from the Firm with the statements they receive from their custodian institution. Clients should immediately contact the Firm and their custodian institution if they find any discrepancies between these two documents.

Section 14 Investment Discretion

Clients of Kahn Brothers Advisors LLC generally grant the Firm broad discretionary authority over their portfolios. However, they may place restrictions on that authority. For example, a client may set parameters for investment, such as desired asset allocations, position sizes or bans on the purchase of individual companies, industries or asset classes. Clients may add the provision that discretionary authority only be exercised after first contacting the client telephonically or electronically (i.e. via e-mail) or, if the client is unavailable for consultation, only after contacting another party acting on the client's behalf. The client may specify any such parameters he/she wishes to place on the Firm's investment discretion in his/her Investment Advisory Agreement.

The client must sign an Investment Advisory Agreement before the Firm may take investment discretion over his/her portfolio. Within the Investment Advisory Agreement is a section in which the client gives the Firm power of attorney over the portfolio. Additionally, the client must sign a Disclosure Document of Solicitor if he/she was referred to the Firm by a consultant or solicitor.

Section 15 Voting Client Securities

Clients of Kahn Brothers Advisors LLC often grant the Firm the authority to vote on their behalf on issues, proposals and elections that are brought before shareholders at companies' annual meetings. The Firm typically receives proxy ballots via which the Firm may place these votes. These voting matters typically decide the composition of a particular company's board of directors, the approval of a company's audit firm and any other issues that are brought to a vote among the shareholders of a given company. When granted the authority to do so, the Firm typically votes for the client electronically (i.e. via www.proxyvote.com) or, in some cases, by telephone or by USPS mail.

Clients who have not granted Kahn Brothers Advisors LLC the authority to cast their proxy votes will receive their proxy statements from their chosen custodian, not from the Firm.

In the instances in which the Firm has voting authority for the client, the employees of the Firm who are charged with deciding these votes always take into account the best financial interests of that particular client and never favor another party regardless of the specific circumstances at hand. Also, those placing the votes do so only after thoroughly reviewing the proxy material and with knowledge of both the issues to be voted on and, in the case of electing board members, the performance and compensation of those individuals who have been proposed by management. After processing these pieces of information and absent specific reasons and/or concerns to the contrary, the Firm frequently votes "as recommended by the management" of the company at

hand. However, if the employees of the Firm believe that it is in the client's best financial interests to vote against the recommendations of the board of directors, it will do so.

When voting on a company's board of directors membership, the Firm typically weighs (among other factors) the proposed members education and employment history, industry knowledge, unique and relevant relationships, other special attributes, ownership in the company whose board he/she is joining and whether or not that ownership was purchased freely in the open securities markets or awarded as compensation from the company (e.g. in the form of options or stock awards). If the Firm believes that the proposed board member is unfit regarding any of the aforesaid reasons, the Firm may vote against the proposal to elect that individual to the board of directors. Also, if the Firm believes that the proposed board member does not have a significant enough ownership interest in the company whose board he/she is joining or that the proposed member's ownership interest is too heavily weighted in options or stock awards (as opposed to shares purchased in the open market with his/her personal income), then the Firm may vote against the proposal of that individual.

Clients who have granted the Firm authority to vote their proxy ballots but wish to direct a particular vote or votes on their own may contact the Firm and inform one of its employees of the specific manner in which they would like the issue(s) voted. The Firm will then execute that particular vote or votes according to the client's wishes. All votes for which the Firm has authority and the client has not contacted the Firm with specific wishes will be voted in accordance with the aforesaid guidelines.

If a client would like information from the Firm on how it voted particular securities he/she owns, he/she may contact the Firm at 212-980-5050 or via e-mail at accountservices@ kahnbrothers.com. Also, upon request, a client may receive a copy of the Firm's proxy voting policies and procedures via USPS mail.

With respect to conflicts of interest that may arise in the course of the Firm's discretionary proxy voting, the Firm always acts in the client's best financial interests irrespective of any affiliation that the investment adviser or his personnel may have with the company involved. Also, since the principals and employees of the Firm typically have ownership positions in the same companies that their clients own, they generally consider their interests to be aligned with those of their clients.

Section 16 Financial Information

Kahn Brothers Advisors LLC has no financial conditions that are reasonably likely to impair its ability to meet its contractual commitments to its clients. Nor have it or its predecessor company ever been the subject of any bankruptcy petitions.

Appendix A Brochure Supplement

This Brochure Supplement provides additional information on the following four employees of Kahn Brothers Advisors LLC: Irving Kahn, Thomas Graham Kahn, William DeLuca and William Knox. Additional information on these four employees is available on the website of the United States Securities and Exchange Commission (SEC) at www.adviserinfo.sec.gov. As permitted by the SEC, the Firm has provided the Brochure Supplement as an appendix to the Investment Adviser Brochure document. The Firm is required to send its new clients and offer to send its existing clients the Investment Adviser Brochure (with Brochure Supplement) on an annual basis. Please contact Paula Cutrone at 212-980-5050 if you are a new client of Kahn Brothers Advisors LLC who did not receive the Firm's 2011 Investment Adviser Brochure and Brochure Supplement or if you are an existing client who would like o request a copy. Additionally, please contact the Firm if you have any questions about the contents of either this Brochure Supplement or the entire Investment Advisor Brochure document.

▪ Irving Kahn, CFA

Age: 107

Educational Background:
City College of New York (CUNY)
Columbia University Graduate School of Business, Teaching Assistant to Benjamin Graham
Chartered Financial Analyst[1], CFA Institute, 1963

Minimum 5 Years Business Experience:

1978-2007
- Kahn Brothers & Co. Inc. – Chairman

1988 - Present
- Kahn Brothers Asset Management Corp. – Chairman

2007 - Present
- Kahn Brothers Group, Inc. – Chairman
- Kahn Brothers Advisors LLC – Chairman
- Kahn Brothers LLC – Chairman
- KB Group Asset Management LLC – Chairman

2000 - Present
- KB & Partners Management Co. LLC – Chairman

Disciplinary Information: None

Other Business Activities:

Mr. Kahn is Chairman of Kahn Brothers Group, Inc., the parent company of Kahn Brothers Advisors LLC. He does not receive compensation from this parent company. He is also Chairman of two other companies that are also subsidiaries of Kahn Brothers Group, Inc. They are Kahn Brothers LLC, a registered broker-dealer, and KB Group Asset Management LLC, a holding company. Kahn Brothers LLC is the broker-dealer for most but not all of Kahn Brothers Advisors LLC's clients, and it receives commissions for its services. Mr. Kahn does not receive commissions or compensation from Kahn Brothers LLC. KB Group Asset Management LLC is a holding company with no clients. Mr. Kahn does not receive compensation from this company.

Mr. Kahn is also Chairman of two other affiliated companies, Kahn Brothers Asset Management Corp. and KB & Partners Management Co. LLC, each of which is a general partner in a limited partnership that engages in pooled investment activities. Mr. Kahn's does not receive compensation from these companies.

[1] The Chartered Financial Analyst ("CFA") designation is an internationally-recognized professional designation offered and administered by the non-profit organization, CFA Institute. To qualify as a candidate for the CFA designation, one must have, at a minimum, a bachelor's degree from an accredited college or university and have a minimum of four years of experience in the finance industry. To receive the CFA designation, one must study a three-year course of material and pass three six-hour exams, each administered once per year.

For more information on any of the Firm's affiliated businesses, please contact the Firm directly at 212-980-5050 or at accountservices@kahnbrothers.com.

Additional Compensation: None

- **Thomas Graham Kahn, CFA**

Age: 70

Educational Background:
Cornell University, B.A., 1964
New York University, M.B.A., 1967
Chartered Financial Analyst[1], CFA Institute, 1978

Minimum 5 Years Business Experience:

1978-2007
- Kahn Brothers & Co. Inc. – President, Treasurer, Secretary, Chief Compliance Officer

1988 - Present
- Kahn Brothers Asset Management Corp. – President, Treasurer, Secretary, Chief Compliance Officer

2007 - Present
- Kahn Brothers Group, Inc. – President, Treasurer, Secretary, Chief Compliance Officer
- Kahn Brothers Advisors LLC – President, Treasurer, Assistant Secretary, Chief Compliance Officer
- Kahn Brothers LLC – President, Treasurer, Assistant Secretary, Chief Compliance Officer
- KB Group Asset Management LLC – President, Treasurer, Assistant Secretary, Chief Compliance Officer

2000 - Present
- KB & Partners Management Co. LLC – President, Treasurer, Assistant Secretary, Chief Compliance Officer

Disciplinary Information: None

Other Business Activities:

Mr. Kahn is President, Treasurer, Secretary and Chief Compliance Officer of Kahn Brothers Group, Inc., the Firm's parent company. He does not receive compensation from this parent company. He is also President, Treasurer, Assistant Secretary and Chief Compliance Officer of two other companies that are also subsidiaries of Kahn Brothers Group, Inc. They are Kahn Brothers LLC, a registered broker-dealer, and KB Group Asset Management LLC, a holding company. Kahn Brothers LLC is the broker-dealer for most but not all of Kahn Brothers Advisors LLC's clients, and it receives commissions for its service. Mr. Kahn does not receive commissions or compensation from Kahn Brothers LLC. KB Group Asset Management LLC is a holding company with no clients. Mr. Kahn does not receive compensation from this company.

Mr. Kahn is also President, Treasurer, Secretary and Chief Compliance Officer of Kahn Brothers Asset Management Corp. and is President, Treasurer and Assistant Secretary of KB & Partners Management Co. LLC. Each of these companies is affiliated with Kahn Brothers Advisors LLC, and each is also a general partner in a limited partnership that engages in pooled investment activities. Mr. Kahn's work for these companies may contribute to his annual compensation.

For more information on any of the Firm's affiliated businesses, please contact the Firm directly at 212-980-5050 or at accountservices@kahnbrothers.com.

Additional Compensation: None

- **William DeLuca**

Age: 88

Educational Background: New York University, B.A., 1950; L.L.B., 1955; M.B.A., 1962

Minimum 5 Years Business Experience:

1978-2007
- Kahn Brothers & Co. Inc. – Senior Vice President, Secretary

1988 - Present
- Kahn Brothers Asset Management Corp. – Vice President, Assistant Treasurer, Assistant Secretary

2007 - Present
- Kahn Brothers Group, Inc. – Senior Vice President, Secretary
- Kahn Brothers Advisors LLC - Senior Vice President, Secretary
- Kahn Brothers LLC – Senior Vice President, Secretary
- KB Group Asset Management LLC – Senior Vice President, Secretary

2000 - Present
- KB & Partners Management Co. LLC – Senior Vice President, Secretary

Disciplinary Information: None

Other Business Activities:

Mr. DeLuca is Senior Vice President and Secretary of Kahn Brothers Group, Inc., the Firm's parent company. He does not receive compensation from this parent company. He is also Senior Vice President and Secretary of two other companies that are also subsidiaries of Kahn Brothers Group, Inc. They are Kahn Brothers LLC, a registered broker-dealer, and KB Group Asset Management LLC, a holding company. Kahn Brothers LLC is the broker-dealer for most but not all of Kahn Brothers Advisors LLC's clients, and it receives commissions for its service. These commissions contribute to Mr. DeLuca's compensation, but he is not paid the commissions directly. Therefore, Mr. DeLuca cannot boost his compensation by increasing the amount of commissions earned by the broker-dealer. KB Group Asset Management LLC is a holding company with no clients. Mr. DeLuca does not receive compensation from this company.

The Firm believes that the fact that Mr. DeLuca receives compensation from Kahn Brothers LLC does *not* present an incentive for Mr. DeLuca to act out of the best interests of the Firm's clients who use Kahn Brothers LLC as a broker-dealer. The reasons for this are (a) Mr. Deluca's compensation cannot grow by increasing the commissions he brings into Kahn Brothers LLC; (b) the Firm and Kahn Brothers LLC maintain a long-term, low-turnover investment methodology; and (c) the affiliated broker-dealer has five Registered Representatives monitor its daily trading activity to ensure that all client obligations are met. For more information on Kahn Brothers LLC and on the Firm's Code of Ethics, please see sections 2, 9 and 10 (respectively entitled "Fees and Compensation," "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading" and "Brokerage Practices") of the Investment Adviser Brochure document.

Mr. DeLuca is also Vice President, Assistant Treasurer and Secretary of Kahn Brothers Asset Management Corp. and is Senior Vice President and Secretary of KB & Partners Management Co. LLC. Each of these companies is affiliated with Kahn Brothers Advisors LLC, and each is also a general partner in a limited partnership that engages in pooled investment activities. Mr. DeLuca's does not receive compensation from these companies.

For more information on any of the Firm's affiliated businesses, please contact the Firm directly at 212-980-5050 or at accountservices@kahnbrothers.com.

Additional Compensation: None

- **William Knox**

Age: 55

Educational Background: State University of New York (SUNY) Albany, B.A., 1980
Albany Law School, J.D. 1980

Minimum 5 Years Business Experience: *1996-2007*

- Kahn Brothers & Co. Inc., Senior Vice President

2007 - Present

- Kahn Brothers Group, Inc., Senior Vice President
- Kahn Brothers Advisors LLC, Senior Vice President
- Kahn Brothers LLC, Senior Vice President
- KB Group Asset Management LLC, Senior Vice President

2000 - Present

- KB & Partners Management Co. LLC, Senior Vice President

Disciplinary Information: None

Other Business Activities: Mr. Knox is Senior Vice President of Kahn Brothers Group, Inc., the Firm's parent company. He does not receive material compensation from this parent company. He is also Senior Vice President of two other companies that are also subsidiaries of Kahn Brothers Group, Inc. They are Kahn Brothers LLC, a registered broker-dealer, and KB Group Asset Management LLC, a holding company. Kahn Brothers LLC is the broker-dealer for most but not all of Kahn Brothers Advisors LLC's clients, and it receives commissions for its service. Mr. Knox does not receive commissions or compensation from Kahn Brothers LLC. KB Group Asset Management LLC is a holding company with no clients. Mr. Knox does not receive compensation from this company.

Mr. Knox is also a Senior Vice President of another affiliated company, KB & Partners Management Co. LLC, which is the general partner in a limited partnership that engages in pooled investment activities. Mr. Knox does not receive compensation from this company.

For more information on any of the Firm's affiliated businesses, please contact the Firm directly at 212-980-5050 or at accountservices@kahnbrothers.com.

Additional Compensation: None