

## **Third Avenue Management LLC**

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### **FORM ADV PART 2A BROCHURE**

**This Brochure provides information about the qualifications and business practices of Third Avenue Management LLC. If you have any questions about the contents of this Brochure, please contact us at 212-888-5222 or [clientservice@thirdave.com](mailto:clientservice@thirdave.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.**

**Additional information about Third Avenue Management LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Third Avenue Management LLC is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training.**

## **Item 2 – Material Changes**

This Brochure has been updated from the previous version, dated March 31, 2014, and includes the following material changes:

- Item 6, Third Avenue Emerging Markets Fund and Third Avenue Global Value Fund closed on June 30, 2014.
- Item 8, added disclosures regarding Changing Distribution Levels Risk, Counterparty and Settlement Risk, Debt Securities Risk, and Monetary Policy, Political and Legislative Risks.
- November 13, 2014 amendment to March 27, 2014 filing of Form ADV Part 2B. Added Robert Rewey III, Lead Portfolio Manager, and removed John Lapey, Curtis Jensen, Charles Page and Amit Wadhwany.

This list includes only material changes from the previous version of the Brochure.

### **Item 3 – Table of Contents**

Item 1	Cover Page	Page 1
Item 2	Material Changes	Page 2
Item 3	Table of Contents	Page 3
Item 4	Advisory Business	Page 4
Item 5	Fees and Compensation	Page 4
Item 6	Performance-Based Fees and Side-by-Side Management	Page 6
Item 7	Types of Clients	Page 6
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	Page 7
Item 9	Disciplinary Information	Page 12
Item 10	Other Financial Industry Activities and Affiliations	Page 12
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 13
Item 12	Brokerage Practices	Page 15
Item 13	Review of Accounts	Page 19
Item 14	Client Referrals and Other Compensation	Page 20
Item 15	Custody	Page 20
Item 16	Investment Discretion	Page 20
Item 17	Voting Client Securities	Page 21
Item 18	Financial Information	Page 22
	Part 2B of Form ADV (“Brochure Supplement”)	Page 23

#### **Item 4 – Advisory Business**

Third Avenue Management LLC (“TAM”) provides investment management services to clients on a discretionary basis. All prospective TAM clients are required to provide detailed investment profiles which are used by TAM to conduct a comprehensive suitability review. Many factors are considered in a typical suitability review and they include, but are not limited to, risk tolerance, net worth, investor industry experience, and investor objectives.. TAM advisory services are not tailored to individual client needs, therefore, TAM will only accommodate client specific investment restriction requests when TAM believes that they will not unreasonably impede TAM’s ability to manage the account consistent with the stated business mandate.

Some accounts are managed by TAM pursuant to a “wrap fee” agreement, which enables the client to pay a single fee for the management of the account. The single fee includes advisory services and transaction costs. TAM receives a portion of the overall fee in compensation for the services TAM provides.

TAM’s overall investment strategy typically concentrates on value investing. This value investing strategy seeks to identify securities of well financed companies (meaning companies with high quality assets and a relative absence of liabilities) selling at a price significantly discounted to TAM’s conservative estimate of intrinsic value. TAM may, however, offer other advisory services, engage in other investment strategies and make other types of investments, including any not described in this Brochure, that TAM considers appropriate, subject to each client’s agreement with TAM or other agreed-upon restrictions.

TAM is a subsidiary of Affiliated Managers Group, Inc. (“AMG”). TAM has been providing investment advisory services since 1986. TAM managed approximately UPDATE (updated 3/19) \$9.9 billion of client assets on a discretionary basis, as of December 31, 2014.

#### **Item 5 – Fees and Compensation**

Clients pay advisory fees based on a percentage of assets under management, and in some cases, may also pay performance fees. Advisory fees charged by TAM depend on (i) level of servicing, (ii) investment objective and investment strategy, (iii) account size, (iv) type of investment securities, (v) additional portfolios under management, (vi) terms of the agreement, and (vii) other factors. Actual fees, minimum fees and minimum account sizes may be negotiated and may vary among clients. Fees for special arrangements with specific clients to provide unique services may not be within the ranges described below.

*Registered Investment Company and other Fund Accounts.* Fees are payable monthly in arrears and are based on the average daily value of the net assets of the fund. TAM currently advises or sub-advises several such accounts. The fee arrangements for such funds are generally described in the funds’ prospectuses or other offering documents. The annual fees for U.S. registered funds advised by TAM are set forth in their public

filings and range from 0.75% to 1.25%. The annual fee for the fund sub-advised by TAM is 0.50% . Fees may be subject to breakpoints as negotiated by each client, and may include a commitment to waive fees or reimburse a fund's expenses where expenses exceed certain predetermined thresholds.

*Separate Accounts.* Fees for separate accounts are individually negotiated. Fees are typically payable quarterly in arrears or in advance and are based on account value. Clients that pay fees in advance and properly terminate their account other than as of the last day of a quarter, will receive a refund equal to the pro rata portion of the fees paid in advance, based on the actual number of days remaining in the quarter.

Clients may arrange to have their fees debited directly from their account subject to applicable regulatory requirements. The annual fee rates for new separate accounts range between 0.75% and 1.50%, subject to negotiation and depending on the factors described above. Such fees may include certain administrative services.

*Private Funds.* Fees for private funds are payable monthly in advance and are based on the partner's or member's capital balance or net assets of the fund as of the beginning of the month. The fees range between 1.00% and 1.50% annually, are subject to negotiation and depend on the nature and size of the mandate. Certain funds also are generally subject to an incentive fee or allocation equal to 20% of fund profits subject to high water marks. Incentive fees, if applicable, are paid annually in arrears. Private fund fees are described in detail in each fund's offering documents.

*MJW Private Client Services Program.* Clients may establish a relationship with TAM through its affiliated broker-dealer, M.J. Whitman LLC ("MJW"). MJW offers, or clients may choose to pay advisory fees and commissions separately, brokerage and advisory services on a "wrap fee" basis. Fees are typically payable quarterly in arrears or in advance and are based on account value. Total annual fees charged to wrap program clients by MJW may be up to 2.0% of assets under management per year. MJW clients may be able to obtain some or all of the services available for a wrap fee on an unbundled basis. Depending on the circumstances, the aggregate of any separately paid fees may be lower or higher than the wrap fee.

*Additional Costs.* In addition to paying an advisory fee, clients may pay brokerage commissions, mark-ups, mark-downs, dealer spreads and/or other commission equivalents, foreign currency exchange costs, custodian fees, and regulatory charges and other expenses related to transactions effected for their accounts, except where such expenses are specifically covered pursuant to a wrap agreement. TAM may utilize its affiliate MJW to execute transactions in client accounts, generally only when directed to do so, and TAM's advisory fees are not reduced by the amount of commissions paid to MJW.

All expenses relating to wrap accounts sponsored by MJW including, but not limited to, any costs of safekeeping, transport, acquisition and disposition fees related to Section 31 of the Securities Exchange Act of 1934 (SEC fees), pass through custody fees (if

applicable), and margin costs, but excluding brokerage commissions and other execution costs (such as foreign exchange fees or taxes which shall be paid by TAM), shall be for the account of and paid by the client. Fees and expenses relating to wrap accounts sponsored by a broker/dealer other than MJW are subject to agreement between the client and the sponsor. TAM's brokerage practices are described below under "Item 12 – Brokerage Practices." Fund clients bear other expenses as described in their offering documents. To the extent assets in a separate account are invested in a fund, such investment bears the expenses of the fund (including advisory fees) in addition to the advisory fees paid to TAM.

#### **Item 6 – Performance-Based Fees and Side-by-Side Management**

The portfolio managers for the following performance-based fee funds also manage non-performance based fee accounts: Third Avenue Real Estate Opportunities Fund, and Third Avenue Special Situations Fund. Although the performance-based fee funds do not have the same investment strategy as any other accounts currently managed by TAM, a conflict of interest may exist with regards to a portfolio manager favoring a performance-based fee fund over an account that pays another type of fee with regards to trading and allocation of investment opportunities. In order to monitor this conflict, TAM has adopted compliance policies and procedures for trading and allocations, and the TAM Compliance Department performs periodic review of trades and allocations in order to attempt to detect any inappropriate trading or allocations.

*Performance-Based Compensation.* Performance-based compensation may apply and is subject to federal, and in some cases, local law and is also negotiable. A client paying a performance fee should be aware that this type of fee arrangement potentially creates conflicts of interest and that:

1. it may provide an incentive for TAM to make investments that are riskier or more speculative than would be the case in the absence of a performance fee;
2. the fee arrangement may not have been subject to negotiation;
3. similar services may be available from other investment managers for lower compensation;
4. TAM may receive increased compensation with regard to unrealized appreciation as well as realized gains in the client's account;
5. the periods used to measure the performance will be specified in the contract or offering documents and will typically be at least a twelve-month period; and
6. securities held in the client's account for which no market quotations are readily available will typically be valued by TAM based on available information. TAM may have a conflict of interest in performing such valuations.

#### **Item 7 – Types of Clients**

TAM clients include registered investment companies, private funds, offshore funds, individuals, corporations, pension plans, trusts, estates, educational institutions, endowments and foundations. TAM also provides investment management services to

clients of its affiliated broker-dealer, MJW, through its wrap program, MJW Private Client Services Program.

*Account Minimums.* TAM generally requires a minimum investment between \$5 million and \$50 million, depending upon the investment strategy, for individual and institutional advisory separate accounts. TAM reserves the right to decline any potential client for any reason or to accept accounts below the minimum investment. Funds advised by TAM have investment minimums and requirements as described in their offering documents.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

The descriptions set forth in this Brochure of specific strategies and investments should not be deemed to limit TAM's investment activities. TAM may engage in any investment strategy and make any investment, including any not described in this Brochure, that TAM considers appropriate, subject to each client's agreement with TAM or, for funds which TAM advises, the funds' offering documents. Fund offering documents contain additional specific information about investments and risks and should be read prior to making an investment. Investments are speculative and may entail substantial risks. There can be no assurance that the investment objectives of any client will be achieved, and clients should be prepared to bear a substantial loss on their investment.

TAM uses fundamental analysis to identify securities for investment. TAM acquires information about such securities from various sources, including: inspections of corporate activities, research materials prepared by others, financial publications, corporate rating services, filings with the SEC, foreign regulatory filings, press releases and TAM's network of corporate contacts.

For most investment strategies, TAM generally employs a long-term investment strategy with a time horizon greater than one year, although TAM may sell a security in less than one year if deemed prudent by a portfolio manager. For certain strategies that may employ a higher portfolio turnover, short-term trading can increase transaction costs and thus lower net returns.

The following is a description of the material risks of the potential types of investments in which TAM may invest client assets. Investments made depend on the investment mandate chosen by the client, and not all types of investments described below apply for all clients.

*Changing Distribution Levels Risk.* Certain Funds managed by TAM pay income distributions on a regular basis. The amount of the distributions paid by these Funds generally depends upon the amount of taxable income earned by the Fund from the investments it holds. In certain circumstances the Fund may be treated as receiving taxable income even though no cash is received. The Fund may not pay distributions or may have to reduce distribution levels if the income the Fund earns from its investments declines.

*Commodities Risk.* Prices of commodities, such as timber and oil, have historically been very volatile. Reductions in commodity prices will likely cause the prices of the securities of companies holding real estate affected by those industries to decline.

*Counterparty and Settlement Risk.* To the extent that investments are made in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, a credit risk may be encountered with regard to trade counterparties and settlement default. These risks may differ materially from those entailed in exchange traded transactions that generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

*Currency Hedging Risk.* TAM may seek to hedge all or a portion of foreign currency risks. The Adviser cannot guarantee that it will be practical to hedge these risks in certain markets or conditions or that any efforts to do so will be successful.

*Currency Risk.* Investments are denominated in or tied to the currencies of the countries in which they are primarily traded. Because TAM may determine not to hedge its foreign currency exposure, the U.S. Dollar value of investments may be harmed by declines in the value of foreign currencies in relation to the U.S. Dollar.

*Debt Securities Risk.* The market value of a debt security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The debt securities market can be susceptible to increases in volatility and decreases in liquidity. Increases in volatility and decreases in liquidity may be caused by a rise in interest rates (or the expectation of a rise in interest rates). Prices of bonds and other debt securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect debt securities and, accordingly, will cause the value of investments in these securities to decline. When interest rates fall, the values of already-issued securities generally rise, although investments in new securities may be at lower yields. The prices of high-yield debt securities (“junk bonds”), unlike investment grade debt securities, may fluctuate unpredictably and not necessarily inversely with changes in interest rates.

*Derivatives.* Derivative instruments, or “derivatives,” include futures, options, swaps, structured securities and other instruments and contracts that are derived from the value of one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are “leveraged” and, thus, provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small



adverse market movement can not only result in the loss of the entire position, but may also expose investors to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts. Derivatives are only used in circumstances where it is believed they offer the most economic means of improving the risk/reward profile of a portfolio. In most circumstances, derivatives will not be used to increase fund risk above the level that could be achieved using only traditional investment securities or to acquire exposure to changes in the value of assets or indices that by themselves would not be purchased for a TAM portfolio.

*Environmental Liabilities.* Substantial risk of loss may be encountered from environmental claims arising from investments made with undisclosed or unknown environmental problems or with inadequate reserves, as well as from occupational safety issues and concerns.

*Focus and Non-Diversification Risk.* TAM client accounts may focus their investments in a relatively concentrated manner. A concentrated account can be more volatile than a diversified account, and volatility may be expected to increase when an account makes significant investments in a single issuer or issuers within a particular industry or geographic region because the account is more susceptible to adverse effects from such issuer or issuers.

*Foreign Securities and Emerging Markets Risk.* Foreign securities may be subject to currency fluctuations and controls or adverse political, social, economic or other developments unique to their particular country or region. Therefore, prices of foreign securities may, at times, move in a different direction from those of U.S. securities. Emerging market countries can generally have economic structures that are less diverse and mature, and political systems that are less stable, than those of developed countries; and, as a result, the securities markets of emerging market countries can be more volatile than more developed markets may be.

*Hedging Transactions.* Certain financial instruments such as derivatives, options, interest rate swaps, caps and floors, futures and forward contracts may be utilized for risk management purposes. There can be no assurances that a particular hedge is appropriate or that a certain risk is measured properly. Further, while a hedging transaction seeks to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk than if the hedging transaction had not been employed. Moreover, certain risks cannot be hedged, such as credit risk (relating both to particular securities and counterparties). In addition, TAM may choose not to enter into hedging transactions with respect to some or all of its positions.

*High-Yield and Distressed Risk.* Investments in high-yield debt securities (commonly known as “junk bonds”) and distressed securities may expose investors to greater risks than if they only owned higher-grade securities. The value of high-yield, lower quality securities is affected by the creditworthiness of the issuers of the securities and by general economic and specific industry conditions. Issuers of high-yield securities are not as strong financially as those with higher credit ratings; so, the securities are usually

considered speculative investments. These issuers are more vulnerable to financial setbacks and recession than are more creditworthy issuers, which may impair their ability to make interest and principal payments. TAM may also invest in distressed securities, which it considers to be issued by companies that are, or might be, involved in reorganizations or financial restructurings, either out of court or in bankruptcy. Investments in distressed securities typically may involve the purchase of high-yield bonds, bank debt or other indebtedness of such companies.

*Insolvency and Bankruptcy Risk.* Investments in obligations of stressed, distressed and bankrupt issuers, including debt obligations that are in default, generally trade significantly below par and are considered speculative. The repayment of defaulted obligations is subject to significant uncertainties. Defaulted obligations might be repaid only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments. Typically such workout or bankruptcy proceedings result in only partial recovery of cash payments or an exchange of the defaulted obligation for other debt or equity securities of the issuer or its affiliates, which may in turn be illiquid or speculative. There is even a potential risk of loss of the entire investment in such securities. There are a number of significant risks inherent in the bankruptcy process. A bankruptcy filing by an issuer may adversely and permanently affect the market position and operations of the issuer. Many factors of the bankruptcy process, including court decisions, the size and priority of other claims, and the duration and costs of the bankruptcy process, are beyond the control of TAM and can adversely affect the return on investment. For example, a court could invalidate or subordinate a debt obligation of, or reclaim amounts paid by a debtor to, the lenders. To the extent that any such payments are recaptured, the resulting loss will be borne by the investors. The Adviser may also participate on committees formed by creditors to negotiate with debtors with respect to restructuring issues.

There can be no assurance that the Adviser's participation would yield favorable results for the TAM clients, and such participation may subject TAM clients to additional duties, liabilities and trading restrictions in a particular investment.

*Liquidity Risk.* Liquidity risk exists when particular investments are difficult to sell. An investment may not be marketable at the best prices or at the value TAM places on them. In such a market, the value of such investments and the share price may fall dramatically, even during periods of declining interest rates. Investments that are illiquid or that trade in lower volumes may be more difficult to value. The market for high-yield debt securities ("junk bonds") may be less liquid and therefore these securities may be harder to value or sell at an acceptable price, especially during times of market volatility or decline. Investments in foreign securities tend to have greater exposure to liquidity risk than U.S. securities. Liquidity can decline unpredictably in response to overall economic conditions or credit tightening.

*Market Risk.* Prices of securities (and stocks in particular) have historically fluctuated. The value of an account will similarly fluctuate and could lose money.

*Monetary Policy, Political and Legislative Risks.* The global financial crisis was one instance in which certain governments and/or their central banks, including the Board of Governors of the Federal Reserve System in the U.S., took steps to support financial markets, including implementing measures to keep interest rates low. Changes to, or failure of, these policies, a change in investor perception with respect to these policies and/or a rise in interest rates, may expose fixed-income and related markets to heightened volatility, interest rate sensitivity and reduced liquidity, which could cause the value of an investment to fall. For investors in Funds or other pooled investment vehicles, redemptions also may increase, which may result in higher portfolio turnover and expenses. Policy and legislative changes worldwide are affecting many aspects of financial regulation. The impact of these changes on the markets, and the practical implications for market participants, may not be fully known for some time.

*Real Estate Risk.* In addition to general market conditions, the value of certain investments will be affected by the strength of the real estate markets. Factors that could affect the value of TAM portfolio holdings include the following: overbuilding and increased competition; increases in property taxes and operating expenses; declines in the value of real estate; lack of availability of equity and debt financing to refinance maturing debt; vacancies due to economic conditions and tenant bankruptcies; losses due to costs resulting from environmental contamination and its related clean-up; changes in interest rates; changes in zoning laws; casualty or condemnation losses; variations in rental income; changes in neighborhood values; and functional obsolescence and appeal of properties to tenants.

*Small-Cap and Mid-Cap Risk.* TAM may invest from time to time in smaller and mid-size companies whose securities tend to be more volatile and less liquid than those of larger companies. This can adversely affect the prices at which TAM can purchase and sell these securities.

*Special Situations.* Certain accounts managed by TAM may invest in Special Situations Companies. This generally involves investments in companies involved in "event-driven" special situations such as bankruptcy filings in the U.S. and abroad, recapitalizations, spin-offs, corporate and financial restructurings, litigation or other liability impairments, turnarounds, management changes, consolidating industries and other catalyst-oriented situations. TAM believes these types of investments sometimes have limited downside risk relative to their current valuations. TAM could, however, be wrong in its assessment that these types of investments have limited downside risk, thus resulting in significant losses.

*Style Risk.* Value securities involve the risk that they may never reach their expected full market value, either because the market fails to recognize the stock's intrinsic value or the expected value was misgauged. The Adviser may identify opportunities in industries that appear to be temporarily depressed. The prices of securities in these industries may tend to go down more than those of companies in other industries. Since a TAM portfolio is not limited to investing in stocks, the portfolio may own significant non-equity instruments in a rising stock market, thereby producing smaller gains than a fund

invested solely in stocks. Because of the Adviser's disciplined and deliberate investing approach, there may be times when a TAM portfolio will have a significant cash position. A substantial cash position can adversely impact TAM portfolio performance in certain market conditions and may make it more difficult for the TAM portfolio to achieve its investment objective.

*Use of Leverage.* The use of leverage may expose TAM client accounts to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had leverage not been used to make the investment, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the cost of borrowing such funds.

### **Item 9 – Disciplinary Information**

There are no legal or disciplinary events related to TAM that are material to a client's or prospective client's evaluation of TAM's advisory business or the integrity of TAM's management.

### **Item 10 – Other Financial Industry Activities and Affiliations**

TAM and MJW are wholly-owned by Third Avenue Holdings Delaware LLC ("TAH"). MJW may effect transactions for its own accounts and for accounts in which its employees and equity owners of TAH have beneficial interests. Investments in the same securities may be recommended by both MJW (on a non-discretionary basis) and TAM (on a discretionary basis) to their clients. TAM may utilize MJW to execute transactions for clients that have directed TAM to do so for which MJW may receive commissions. . Please see Item 12 for more discussion regarding potential conflicts of interest and TAM's broker selection practices. Certain employees of TAM, including certain of its management persons, are licensed registered representatives of MJW for the purpose of offering and selling securities issued by registered and unregistered funds advised by TAM or its affiliates. Unless directed, MJW will only be used for execution on an exception basis, in which case no commission or other fees will be charged to client.

AMG, a publicly-traded asset management holding company, holds equity interests in certain other investment advisers ("AMG Affiliates"), a list of which is available upon request. Each of the AMG Affiliates, including TAM, operates autonomously and independently of AMG and of each other. TAM does not have any material business dealings with these AMG Affiliates and does not conduct any joint operations with them. TAM carries out its asset management activity, including the exercise of investment discretion and voting rights independent of the AMG Affiliates. The AMG Affiliates do not formulate advice for TAM's clients and do not, in TAM's view, present any potential conflicts of interest relative to TAM's clients.

TAM provides investment advisory and other administrative services, for which it receives compensation, from the Third Avenue Trust, Third Avenue Variable Series Trust and Third Avenue Capital p.l.c., which may be deemed to be affiliates of TAM because of certain overlapping personnel and other factors. Absent specific authority, TAM and its affiliates do not exercise discretion with respect to clients' investments in any funds advised by TAM.

From time to time, TAM or its affiliates may act as general partner, managing member or other controlling entity that creates or sponsors limited partnerships, limited liability companies and other investment vehicles, and TAM clients may be solicited to invest in these vehicles. Certain wholly-owned subsidiaries of TAM serve as general partners for limited partnerships or managing members of limited liability companies that TAM and its affiliates may create and/or place interests in such vehicles, which are privately placed and not registered with the SEC. TAM's affiliate, MJW, acts as placement agent for interests in private funds advised by TAM but does not receive compensation for that service. Absent specific authority, TAM and its affiliates do not exercise discretion with respect to making any client investments in these or other private funds.

*Issuer Directorships Held by Employees of TAM.* Employees of TAM may serve as directors of companies which issue securities in which TAM's clients invest. TAM has established procedures to seek to ensure that the material non-public information obtained through such directorships is kept confidential and is not used in any inappropriate manner.

These directorships could create conflicts when TAM clients invest in companies for which a TAM employee serves as a director. It has been TAM's general policy that TAM personnel do not retain compensation for their service on boards of public companies that issue securities held in client accounts where the position on the Board may be considered to be the result of the investment by TAM's clients in the company. TAM employees will waive any right to receive options in their roles as directors of these companies and remit all cash compensation to the funds advised by TAM that are invested in these companies, unless the position as director came about through circumstances unrelated to a TAM investment.

*Creditor Committees.* TAM, on behalf of our clients, may also participate on committees formed by creditors to negotiate with debtors with respect to restructuring issues. There can be no assurance that TAM's participation would yield favorable results, and such participation may subject TAM's clients to additional duties, liabilities and trading restrictions in a particular investment.

### **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

TAM has adopted a Code of Ethics (the "Code"), which provides policies and procedures designed to prevent any actual or potential conflicts of interest between TAM and its clients with respect to personal securities transactions of associated persons of TAM. All

personnel are required to pre-clear personal security transactions (except in cases where the employee certifies that he or she has no discretion over the account and does not instruct the party that has discretion, and certain types of exempt securities because they present little opportunity for front-running, i.e.: government bonds, exchange traded funds) before having their orders executed and have copies of their confirms and statements sent to TAM. Employees are also required to annually certify compliance with the Code and provide initial, quarterly and annual transaction reports. Employee securities orders which appear to conflict with client orders or with the Code are not permitted and may be cancelled or otherwise resolved pursuant to the Code. A copy of TAM's Code is available upon request.

Among other specific actions, the Code prohibits:

- causing a client account to take action or to fail to take action for personal benefit rather than to benefit such account/fund;
- using for personal benefit, knowledge of portfolio transactions made or contemplated; and
- disclosing current portfolio transactions made or contemplated for accounts/funds to anyone outside of TAM other than to facilitate client transactions.

TAM, its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for clients. These activities may adversely affect the prices and availability of securities or instruments held by or potentially considered for one or more clients. Potential conflicts also may arise due to the fact that TAM and its personnel may have investments in certain funds advised by TAM but not in others or may have different levels of investments in such funds.

TAM has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as client trades.

*Agency Cross Trades.* With client consent, and in compliance with applicable regulations, MJW may engage in agency cross trades (transactions in which MJW acts as broker for parties on both sides of a transaction and one party is a TAM client) and other transactions described below. Consent for agency cross trades may be revoked at any time by written notice to TAM.

TAM serves as investment adviser to a number of funds, and affiliates of TAM act as general partner or managing member of private funds for which TAM is the adviser. In such cases, TAM or its affiliates may inquire about a client's interest in investing in such funds, from which TAM and/or its affiliates receive compensation. Since receipt of compensation in connection with such investments poses a conflict of interest for TAM and its affiliates (if applicable), TAM does not ordinarily exercise investment discretion

to place any clients into any funds advised by TAM. Where a fund investor becomes a separate account client of TAM or when a TAM separate account client invests in funds advised by TAM, its fund holdings and separate account holdings will be maintained separately.

## **Item 12 – Brokerage Practices**

Neither TAM nor its affiliates act as principal when trading for clients. Transactions with MJW are executed on an agency basis. Commissions charged on such transactions vary according to the size and nature of the transactions and of the account for which they are effected.

When directed, TAM may, subject to best execution use its affiliate, MJW, to execute trades on behalf of its clients. MJW charges uniform commissions to TAM clients based on an internally created schedule. Direct brokerage clients of MJW are not subject to that same schedule. It is therefore possible that clients engaging in identical transactions may be charged different commissions. MJW will not increase TAM client commission rates without appropriate notice to TAM clients. MJW is under no obligation to reduce a negotiated commission rate in accordance with any reductions in its fee schedule.

*Best Execution.* TAM seeks to obtain best execution of its clients' trades. In doing so, it considers the costs inherent in trading, including opportunity costs, market impact costs and commissions. When TAM has brokerage discretion, and as permitted by the client, transactions in the client's portfolio may be executed by MJW as agent, subject to TAM's execution policies, which creates a conflict of interest for TAM. TAM may utilize, or suggest that its clients utilize, its affiliated broker-dealer, MJW to execute portfolio transactions. To the extent that the broker-dealer services of MJW are utilized, clients (excluding wrap clients) are charged commissions or other similar transaction costs in addition to their investment advisory fees. TAM, through its Brokerage Committee, evaluates the quality of execution to its clients with special attention to MJW. TAM evaluates reports prepared by third-party vendors, which compare the trade execution of all brokers versus relevant metrics.

*Foreign Exchange Transactions.* TAM utilizes the services of a third-party vendor to provide an execution platform for foreign currency transactions with a network of banks. TAM's trading desk has established a trading relationship with several of these banks. The vendor offers continuous quotes from all the banks in their network for each currency in which they trade and provides trade execution quality reports.

*Soft Dollars.* TAM may compensate a broker for providing certain brokerage and research services by directing client commissions to the broker providing these services that may be more than would have been paid to another broker for executing the same trade without providing the additional services so that commissions paid on soft dollar trades may not be as low as the commission paid on trades to a broker that is not providing research. The services received include: proprietary research reports on

individual issuers and industries (may be upon request or unsolicited), access to analysts, assistance in arranging meetings with executives of issuers (level of assistance may range from having executives visit TAM offices, to scheduling full itinerary for overseas trip visiting numerous executives at numerous issuers), and invitations to group presentations by analysts and/or issuer executives. Research services may include proprietary research (created or developed by the broker dealer) and research created or developed by a third party. Research services obtained may be utilized in formulating investment advice for any clients of TAM, including clients other than those that paid commissions to the broker on the particular transaction. TAM does not seek to allocate soft dollar benefits among client accounts proportionally to the accounts generating soft dollar credits. TAM will only receive brokerage or research services in connection with transactions that are consistent with Section 28(e) of the Securities Exchange Act of 1934. TAM performs periodic reviews in order to determine that the commissions paid on soft dollar trades are reasonable in relation to the value of the brokerage and research services received. On a quarterly basis, TAM's Research Department will review its research needs and create a soft dollar budget for all TAM clients in the aggregate. The process by which this budget is created will be overseen by the Compliance Department, which works with the head trader and representatives of the investment team to create an overall budget for the firm. At least semi-annually, the Compliance Department shall review the commission dollars paid to broker/dealers to ascertain whether TAM's trading desk is allocating those dollars in appropriate conformance with the soft dollar budget (with the understanding that this budget is not absolute and it may not be possible to allocate trades in the exact amounts budgeted).

TAM's selection of brokers to execute trades in exchange for research, which could possibly reduce TAM's cost of paying for research directly, presents a conflict of interest. As a result, TAM may have an incentive to select or recommend a broker dealer based on its interest in receiving research, products or services, rather than clients' interests in receiving most favorable execution. In order to monitor these conflicts, TAM's Brokerage Committee reviews best execution analysis reports prepared by an independent third party on a quarterly basis.

TAM may elect to utilize "commission sharing arrangements" to make payments for research. Under such an arrangement, TAM enters an agreement with a broker to remit a portion of the commissions paid on trades for TAM client accounts to a third party to compensate the third party for research provided to TAM. This indirect compensation arrangement may be initiated due to the inability of the research provider to execute trades, or the inability to do so in a manner that TAM believes to be efficient. TAM currently has several commission sharing arrangements in place under which an intermediary broker remits fees to several research providers. These arrangements do not oblige TAM to generate a specific level of commission payments to the intermediary brokers, or compensation to the research providers.

*Allocation.* Securities considered for investment by a client or group of clients may also be appropriate for one or more other clients. If the purchase or sale of a security is considered at or about the same time for more than one client, TAM will seek to allocate



transactions in such security among such clients in a manner considered by TAM to be fair, equitable and consistent with allocation procedures adopted by TAM in conformance with applicable rules and regulations.

TAM will normally aggregate orders when portfolio managers have submitted trade orders for multiple clients that all have the same instructions regarding price and timing. TAM's allocation policies seek to ensure that TAM's clients receive fair treatment over time. To the extent that TAM aggregates transactions, allocation policies state that TAM must do so in a manner that is consistent with its duty to seek best execution of client orders, treats all clients equitably over time and does not systematically disadvantage any client.

Aggregated orders executed by MJW, for clients that have authorized TAM to utilize them, will generally not receive a reduced commission rate, as each client will pay the commission rate applicable to it.

Client orders will not be aggregated to the extent there are specific limitations such as brokerage directions that would prevent aggregation. Due to the number of accounts directing brokerage, TAM rotates the sequence of execution among directed brokers. When an aggregated order is filled, all participating clients receive the price at which the order was executed. If at a later time additional clients seek to purchase or sell the same security, TAM will place a new order and the clients participating in the new order will receive the average price at which the new order is executed.

In the event that an aggregated order is not entirely filled, TAM will generally allocate the purchases or sales among participating clients in accordance with objective criteria such as amount ordered, level of cash or desired size of position, or de minimis allocations.

*Exceptions.* On occasion, TAM may vary from the trading procedures described above. TAM exercises its best judgment in determining whether clients that have directed brokerage should execute portfolio transactions simultaneously with, prior to, or after transactions executed with brokers selected by TAM.

*Wrap Fee and Other Directed Brokerage Arrangements.* Clients may limit TAM's discretionary authority to utilize broker-dealers.

Transactions for a client who has directed the use of a particular broker-dealer may not be aggregated with orders of other clients without such directed relationships. Trades for such clients may be placed after other non-directed orders have been executed. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained for the aggregated order. Clients who designate the use of a particular broker-dealer should consider whether such designation may result in certain costs or disadvantages such as higher commissions or less favorable execution, as well as the following:

1. Where TAM does not have discretion to select broker-dealers, TAM and its affiliates generally cannot negotiate commission rates. Rather, the commission rates will be those under the arrangement between the client and the broker and will not change as a result of TAM serving as investment adviser.
2. TAM cannot be responsible for obtaining competitive bids on directed trades done on a net basis.
3. TAM may be unable to obtain a more favorable price based on transaction volume on transactions that cannot be aggregated with transactions of its other advisory clients.
4. TAM may not be in a position to monitor directed trades for best execution.
5. TAM may enter the client's order after other clients' orders for the same security, with the result that market movements may work against the client.

TAM generally executes orders for wrap accounts or other fully directed relationships separately from transactions for non-directed accounts. Wrap, directed and non-directed accounts may trade the same securities at the same time. However, due to the number of brokers executing transactions for wrap or other directed relationships, execution may be completed at different times for clients in these relationships than for TAM's non-directed accounts (and may not be completed for several days after the completion of orders executed for TAM's non-directed accounts). As a consequence, different clients may receive different prices over time even while trading in the same securities.

TAM does not have discretion to select broker-dealers with respect to wrap programs in which it serves as investment adviser. Nor does TAM have authority to select broker-dealers when directed by a separate account client or the primary adviser of a sub-advised portfolio to use a specific broker-dealer.

If a client is referred to TAM by a broker or if a client has opened a custodial account with a broker and directs TAM to execute its trades through such broker, it is TAM's practice not to negotiate commission rates with such broker. Clients are free to select or change brokers at their discretion. In the event that there is reason to believe the chosen brokerage firm cannot offer adequate service, TAM may be unable to accept management of, or continue to manage, the account.

In certain cases, a client may have a pre-existing brokerage relationship or may establish a brokerage relationship with a specific broker-dealer. A client's own broker-dealer or other financial adviser may have referred the client to TAM, or a client may have chosen to use a specific broker-dealer.

Wrap fee clients are not charged separate commissions on each trade so long as the sponsoring broker-dealer executes the trade, and a portion of the wrap fee is generally considered to include commissions. In light of this feature, TAM considers the client's choice to participate in a wrap program sponsored by a particular broker-dealer as being a direction to TAM to use that broker-dealer unless the client specifies otherwise. In addition, in the event that a broker-dealer other than the sponsoring broker-dealer could execute at a better price for a security, wrap program clients would be required to pay the other broker-dealer's commission charges, which would not otherwise have to be paid. Thus, the non-wrap sponsor broker would need to offer a combined price and commission charge that bettered the price including commission that the sponsoring broker-dealer could offer, which in most cases would be unlikely.

Wrap fee clients and other clients directing TAM to use a specific broker-dealer should satisfy themselves that the broker-dealer they have selected is providing adequate price and execution. The client should evaluate the fee charged by the wrap sponsor or directed broker, the amount of portfolio activity in their account, the value of custodial and other services provided under the arrangement, and other factors, to determine whether the fee is justified. A conflict of interest may exist between TAM's duty to obtain the most favorable commission rates and its receipt of future referrals from the client's broker-dealer or wrap program sponsor.

### **Item 13 – Review of Accounts**

Portfolio managers are primarily responsible for reviewing client accounts and do so periodically, individually or in a group, depending on account needs and market conditions. Reviews may be performed daily, weekly or monthly as portfolio managers deem appropriate or as otherwise required. Reviews may be undertaken because of changes in market conditions, changes in security positions, at a client's request, changes in objectives or as part of a regularly scheduled review. The sequence of review varies and may be by investment objective, random or otherwise. Both qualitative and quantitative approaches are utilized to monitor compliance with investment objectives and restrictions in light of portfolio changes. Triggering factors to initiate a review beyond those regularly scheduled would include attainment of a limit in target weighting for an individual security or an industry. Reviews are performed by a team of relevant professionals. Currently, for separate accounts, these reviews are performed by the relevant Portfolio Manager or manager. The TAM Operations staff reconciles the vast majority of client accounts on a daily basis, and reconciles all accounts no less frequently than monthly.

Subject to certain thresholds, separate account clients will generally receive quarterly reports that include a list of current holdings, transactions for the reporting period, account performance, and investment commentary. Clients in wrap programs (other than MJW) generally receive reporting from the wrap program sponsor. TAM encourages clients to compare these reports to information they receive from their custodian.

Investors in the private funds for which TAM provides investment advisory services receive unaudited capital statements and reports of fund performance at least quarterly and audited financial statements annually.

#### **Item 14 – Client Referrals and Other Compensation**

TAM may enter into various arrangements pursuant to which unaffiliated third parties may be compensated for referring clients to TAM. Except as otherwise described below, compensation is typically either a percentage of assets initially invested, or remaining invested over time, or a percentage of TAM's advisory fees received from the referred clients. Such compensation may result in an additional charge to TAM's clients or in a different level of advisory fees than customarily charged by TAM.

From time to time, TAM or its affiliates may enter into agreements regarding the Third Avenue Funds, a mutual fund family for which TAM serves as investment advisor. TAM has entered into such agreements with MJW, certain marketers, and has historically had agreements with other third parties. Third parties may provide certain shareholder servicing and/or distribution support services in connection with the sale of shares of the Third Avenue Funds, including through sponsored platforms through which the funds are available for purchase, and in some cases, these third parties may refer clients to the funds. These third parties (and the intermediaries that sponsor platforms through which the funds are available) may receive cash compensation from the funds and TAM out of TAM's own resources, for the services that they provide. Compensation typically is a percentage of assets invested in the funds and/or a fee per account invested in a fund.

TAM or its affiliates also provide compensation for the referral of investors into the private funds and other funds advised by TAM, and such funds also may provide compensation directly for investor referrals. These arrangements are further described in the funds' offering documents.

#### **Item 15 – Custody**

Neither TAM nor any TAM affiliate takes physical possession of client assets, or holds them in TAM's name. TAM's affiliates do however act as general partner or managing member of several private funds and have control over the funds' assets. In addition, TAM has the ability to debit some client custody accounts for its advisory fee (with the prior authorization of the client). These circumstances require that TAM implement certain custody-related policies and procedures. For separately managed accounts, clients receive quarterly statements from their custodian, which clients should carefully review and compare to any reports received from TAM.

#### **Item 16 – Investment Discretion**

TAM maintains investment discretion for all client accounts. Separately managed account clients may request specific investment restrictions to be incorporated into the investment management agreement. TAM may, on a limited basis, accept such requests

when TAM believes that they will not unreasonably impede TAM's ability to manage the account consistent with the stated investment mandate. Clients should be aware that any restrictions imposed on the account may cause TAM to deviate from investment decisions that it would otherwise make. Funds managed by TAM are subject to the policies and restrictions stated in the funds' offering documents.

### **Item 17 – Voting Client Securities**

TAM is generally granted full discretion to vote proxies, although clients that have granted TAM full investment discretion may direct their vote in particular solicitations by contacting their account representative. In certain cases, in accordance with the agreement governing the account, the client may expressly retain the authority to vote proxies or delegate voting authority to a third party. In such cases, the proxy voting policies and procedures described below would not apply and TAM would advise the client to instruct its custodian where to forward proxy materials. Clients expressly retaining the authority to vote proxies or that have delegated proxy voting to a third party may contact TAM at 212-888-5222 with any questions about a particular solicitation.

*Policy Guidelines.* Employing a long-term investment strategy, one of TAM's primary considerations for any purchase candidate is a company's management. TAM's initial decision to buy securities of a company is generally based, at least in part, on TAM's support for the company's management. It is therefore the policy of TAM to generally support the management of its investments. While TAM generally supports a company's management, it is also mindful of clients' rights as shareholders and TAM is therefore always against poison pill proposals. The policy and procedures below describe how TAM votes proxies for its clients.

TAM has developed detailed policy guidelines on voting commonly presented proxy issues relating to (1) corporate governance, (2) equity-based compensation plans, (3) anti-takeover measures and (4) social policy issues. The guidelines, which are subject to ongoing review, are subject to exceptions on a case-by-case basis. TAM's policy is to exercise voting and consent rights solely in the interest of enhancing or preserving value for its clients.

*Abstention from Voting.* TAM will normally abstain from voting when it believes the cost of voting is too high, voting will result in temporary trading restrictions, or the cost of voting will exceed the expected benefit to investment advisory clients. The most common circumstances where that may be the case involve foreign proxies. In addition, TAM may be restricted from voting proxies of a given issuer during certain periods if it has made certain regulatory filings with respect to that issuer.

*Conflicts of Interest.* When presented with an actual or potential conflict in voting a proxy, TAM shall address the matter using an appropriate method to assure that the proxy vote is free from any improper influence by: (1) determining that there is no conflict or that it is immaterial, (2) ensuring that TAM votes in accordance with a predetermined policy, (3) engaging an independent third-party professional to vote the proxy or advise

TAM how to vote or (4) presenting the conflict to one or more of the clients involved and obtaining direction on how to vote.

*Requests for Additional Information.* Clients may obtain a copy of TAM's full proxy voting policies and procedures and information on how proxies were voted on securities held in the client's account by contacting the client's account representative.

#### **Item 18 – Financial Information**

**Not Applicable**

**David Barse  
Tim Bui  
Victor Cunningham  
Ryan Dobratz  
Matthew Fine  
Nathaniel Kirk  
Thomas Lapointe  
Michael Lehmann  
Yang Lie  
David Resnick  
Robert Rewey III  
Martin Whitman  
Michael Winer  
Jason Wolf  
Joseph Zalewski**

**Third Avenue Management LLC**

**622 Third Avenue, 32<sup>nd</sup> Floor  
New York, NY 10017**

**Telephone: 212-888-5222  
Facsimile: 212-888-8799**

**www.thirdave.com  
03/31/2015**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This Part 2B of Form ADV (“Brochure Supplement”) provides information about supervised persons that supplements the Third Avenue Management LLC (“TAM”) Brochure (i.e., Part 2A of Form ADV), which you should have received with, or prior to, the delivery of this Brochure supplement. However, if you did not receive the TAM Brochure, or if you have any questions about the contents of this Brochure Supplement, please contact our firm at 212-888-5222.**

**Additional information about TAM is available on the SEC’s website at**

**[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Educational Background and Business Experience**

David Barse

Born 1962

### **Education**

BA-Political Science, George Washington University, 1984

JD-Law, Brooklyn School of Law, 1987

### **Business Experience for Previous Five Years**

Third Avenue Management LLC (and predecessor entities) and Funds for which TAM serves as General Partner

Chief Executive Officer (April 2003-Present)

President (February 1998-September 2012)

Third Avenue Trust (5 funds)

Chief Executive Officer (September 2003-Present)

President (May 1998-Present)

Trustee (September 2001-Present)

Third Avenue Variable Series Trust

Chief Executive Officer (September 2003-Present)

President (July 1999-Present)

Trustee (September 2001-Present)

M.J. Whitman, Inc. and its successor, M.J. Whitman LLC

Chief Executive Officer (July 1999-Present)

President (June 1995-Present)

Director (January 1995-Present)

Third Avenue Capital Plc.

Director (May 2013-Present)

Private Debt LLC

President (August 2002-Present)

Covanta Holding Corp. (and predecessor entities)

Director (July 1996-Present)

Manifold Holding, Inc. (f.k.a. ACA Capital Holdings, Inc.)

Trustee (March 2001-Present)

Big Apple chapter of the World President's Organization

Board Member (July 2012-Present)

Third Avenue Management Private Foundation

Director (January 2008-Present)

Third Avenue Management Singapore Private LTD

Director (October 2007-January 2012)

FFT Wealth Management LLC

Chairman (June 2009-July 2011)

Third Avenue Global Value (Offshore) Fund, Ltd.

Director (November 2004-2014)



Third Avenue Emerging Markets (Offshore) Fund, Ltd.  
Director (March 2010-2014)  
Millstein & Co., L.P.  
Member of the Board of Managers (February 2012-Present)

### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 4 – Other Business Activities**

Mr. Barse is a registered representative of MJ Whitman LLC (“MJW”), an affiliate of TAM, but does not receive any compensation that is directly related to the sales of any securities by MJW. TAM’s relationship with MJW, and related conflicts of interest, are addressed in TAM’s Brochure.

### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM’s revenues from advisory services provided to clients.

### **Item 6 – Supervision**

Mr. Barse is the Chief Executive Officer of TAM.

## **Item 2 – Educational Background and Business Experience**

Tim Bui  
Born 1959

### **Education**

BA-Business Administration, University of Texas, 1982  
MBA-Business Administration, University of Texas, 1989

### **Business Experience for Previous Five Years**

Third Avenue Management LLC  
Portfolio Manager (January 2013-Present)  
Senior Research Analyst (June 2012-Present)

Passiko Investments

President and Founder, (September 2008-June 2012)

**Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

**Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

**Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

**Item 6 – Supervision**

The person responsible for supervising Mr. Bui's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

**Item 2 – Educational Background and Business Experience**

Victor Cunningham  
Born 1967

**Education**

BS-Accounting, Fairfield University, 1989  
MBA, University of Notre Dame, 1993

### **Business Experience for Previous Five Years**

#### **Third Avenue Management LLC**

Portfolio Manager (January 2013-Present)

Senior Research Analyst (February 2012-Present)

#### **Lucid Asset Management**

Founder and Owner, Portfolio Manager (May 2005-December 2011)

### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

### **Item 6 – Supervision**

The person responsible for supervising Mr. Cunningham's advisory activities on behalf of TAM is:

David Resnick

President, Chief Investment Officer

Telephone: 212-888-5222

Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Ryan Dobratz  
Born 1980

### **Education**

BBS-Business Management and MBA, University of Missouri, 2003

### **Business Experience for Previous Five Years**

Third Avenue Management LLC

Co-Lead Portfolio Manager (February 2015 – Present)

Portfolio Manager, Senior Research Analyst (February 2012-2015)

Research Analyst (September 2006-Present)

### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

### **Item 6 – Supervision**

The person responsible for supervising Mr. Dobratz' advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives,

policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Matthew Fine  
Born 1975

### **Education**

BA-Economics, Hamilton College, 1999

### **Business Experience for Previous Five Years**

Third Avenue Management LLC  
Lead Portfolio Manager (February 2014-Present)  
Portfolio Manager (January 2012-February 2014)  
Senior Research Analyst (2009-Present)

## **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

## **Item 6 – Supervision**

The person responsible for supervising Mr. Fine's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Nathaniel Kirk  
Born 1980

### **Education**

BA-Economics and Political Science, Yale, 2002  
MA-Economics, Cambridge University, 2004

### **Business Experience for Previous Five Years**

Third Avenue Management LLC  
Portfolio Manager (January 2013-Present)  
Senior Research Analyst (April 2011-Present)  
J.P. Morgan  
Research Analyst (March 2007-April 2011)

## **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

## **Item 6 – Supervision**

The person responsible for supervising Mr. Kirk's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Thomas Lapointe  
Born 1969

### **Education**

BS-Accounting and Entrepreneurial Studies, Babson College, 1992

### **Business Experience for Previous Five Years**

Third Avenue Management LLC  
Lead Portfolio Manager (December 2010-Present)  
Senior Research Analyst (June 2009-Present)  
Columbia Management  
Co-Head of High-Yield Investments (February 1999-February 2009)

## **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

## **Item 6 – Supervision**

The person responsible for supervising Mr. Lapointe's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Michael Lehmann  
Born 1969

### **Education**

BS-Finance, Fordham University, 1992

### **Business Experience for Previous Five Years**

Third Avenue Management LLC (and predecessor entities)  
Portfolio Manager, Senior Research Analyst (August 1998-Present)

## **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such



compensation will vary in part based on TAM's revenues from advisory services provided to clients.

#### **Item 6 – Supervision**

The person responsible for supervising Mr. Lehmann's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

#### **Item 2 – Educational Background and Business Experience**

Yang Lie  
Born 1965

##### **Education**

BS-Electrical Engineering, Marquette University, 1988  
MBA-Finance, University of Chicago, 1995

##### **Business Experience for Previous Five Years**

Third Avenue Management LLC (and predecessor entities)  
Portfolio Manager, Senior Research Analyst (April 1997-Present)  
Third Avenue Management LLC  
Director of Research (April 2007-January 2012)

#### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

#### **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

### **Item 6 – Supervision**

The person responsible for supervising Ms. Lie's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

### **Item 2 – Educational Background and Business Experience**

David Resnick  
Born 1959

#### **Education**

BA from Wesleyan University, 1981  
MBA and J.D. from the University of Chicago, 1985

#### **Business Experience for Previous Five Years**

Third Avenue Management LLC

President (September 2012-Present)

Chief Investment Officer (January 2013-Present)

Rothschild Inc.

Chairman, Global Financing Advisory; Head of Debt Advisory and  
Restructuring (February 2000-September 2012)

### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

#### **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

#### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

#### **Item 6 – Supervision**

The person responsible for supervising Mr. Resnick's advisory activities on behalf of TAM is:

David Barse  
Chief Executive Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

#### **Item 2 – Educational Background and Business Experience**

Robert Rewey III  
Born 1968

##### **Education**

BA – Finance, Boston College, 1990  
MBA – Finance, Duke University, 1994

##### **Business Experience for Previous Five Years**

Third Avenue Management LLC

Lead Portfolio Manager (June 2014-Present)

Cramer Rosenthal McGlynn, LLC

Senior Vice President and Senior Portfolio Manager (February 2003-December 2013)

### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

### **Item 6 – Supervision**

The person responsible for supervising Mr. Resnick's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

### **Item 2 – Educational Background and Business Experience**

Martin Whitman  
Born 1924

#### **Education**

BS-Business Administration, Syracuse University, 1949  
MA-Economics, New School, 1956

### **Business Experience for Previous Five Years**

Third Avenue Management LLC (and predecessor entities)

Portfolio Manager (November 1990-Present)

Co-Chief Investment Officer (February 2003-January 2010)

Chairman (July 1999-Present)

Trustee (November 1990-Present)

Third Avenue Trust (5 funds)

Chairman (March 1990-Present)

Third Avenue Variable Series Trust

Chairman (July 1999-Present)

M.J. Whitman LLC

Chief Executive Officer, President and Director (October 1974-Present)

Nabors Industries, Inc.

Director (March 1991-June 2011)

### **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

### **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

### **Item 6 – Supervision**

The person responsible for supervising Mr. Whitman's advisory activities on behalf of TAM is:

David Barse

Chief Executive Officer

Telephone: 212-888-5222

Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We

conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Michael Winer  
Born 1955

### **Education**

BS-Accounting, San Diego State University, 1978

### **Business Experience for Previous Five Years**

Third Avenue Management LLC (and predecessor entities)

Co-Lead Portfolio Manager, Senior Research Analyst (September 1998-Present)

Tejon Ranch Co.

Director (May 2001-Present)

26900 Newport Inc.

Director (June 1998-Present)

## **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

## **Item 6 – Supervision**

The person responsible for supervising Mr. Winer's advisory activities on behalf of TAM is:

David Resnick

President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account.

## **Item 2 – Educational Background and Business Experience**

Jason Wolf  
Born 1970

### **Education**

BBA-Finance and Real Estate, Southern Methodist University, 1993

### **Business Experience for Previous Five Years**

Third Avenue Management LLC  
Co-Lead Portfolio Manager (January 2013-Present)  
Portfolio Manager (February 2006-December 2012)  
Senior Research Analyst (April 2004-Present)

## **Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

## **Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such compensation will vary in part based on TAM's revenues from advisory services provided to clients.

**Item 6 – Supervision**

The person responsible for supervising Mr. Wolf’s advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client’s holdings in light of any investment objectives, policies or restrictions applicable to the client’s account.

**Item 2 – Educational Background and Business Experience**

Joseph Zalewski  
Born 1975

**Education**

BA-Economics and Political Science, Duke University, 1997

**Business Experience for Previous Five Years**

Third Avenue Management LLC  
Portfolio Manager (January 2013-Present)  
Senior Research Analyst (December 2009-Present)

**Item 3 – Disciplinary Information**

There are no applicable legal or disciplinary events relating to the supervised person who is the subject of this Brochure Supplement.

**Item 4 – Other Business Activities**

There are no applicable other business activities relating to the supervised person who is the subject of this Brochure Supplement.

**Item 5 – Additional Compensation**

The supervised person covered by this Brochure Supplement does not receive economic benefits from any parties who are not clients for providing advisory services other than compensation from TAM in connection with his advisory and related activities. Such



compensation will vary in part based on TAM's revenues from advisory services provided to clients.

**Item 6 – Supervision**

The person responsible for supervising Mr. Zalewski's advisory activities on behalf of TAM is:

David Resnick  
President, Chief Investment Officer  
Telephone: 212-888-5222  
Facsimile: 212-888-8799

In the supervision of our supervised persons, advice provided is limited based on internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each client's holdings in light of any investment objectives, policies or restrictions applicable to the client's account