

Arnhold LLC

Form ADV Part 2A – Disclosure Brochure

Effective: March 27th, 2019

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Arnhold LLC (“Arnhold” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (212) 651-3700 or at info@arnholdllc.com.

Arnhold is a registered investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply a certain level of skill or training. This Disclosure Brochure provides information about Arnhold to assist you in determining whether to retain the Advisor.

Additional information about Arnhold is available on the SEC’s website at www.adviserinfo.sec.gov.

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Item 2 – Material Changes

Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about Advisory Persons of Arnhold. For convenience, we have combined these documents into a single disclose document.

Material Changes

There are no material changes associated with this filing.

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Item 4 – Advisory Services

A. Firm Information

Arnhold LLC (“Arnhold” or the “Advisor”) is a registered investment adviser with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Limited Liability Company (“LLC”) under the laws of the State of Delaware. Mr. John P. Arnhold, Ms. Christa M Dorrego, and Mr. Timothy L. Tabor are the Founders and Managing Directors of Arnhold. Arnhold Management LLC is the managing member of Arnhold. Mr. John P. Arnhold is the managing member of that entity and principal owner of Arnhold. Arnhold was formed as a limited partnership in July 2017 and converted to an LLC in November 2017.

B and C. Advisory Services Offered

Arnhold is an investment advisory firm dedicated to preserving and enhancing the wealth of its clients.

Arnhold offers investment management and related advisory services primarily to private investment funds, institutional accounts and high net worth individuals (each referred to as a “Client”). These services may include:

Family Governance: Assisting with creation of a family communication process and governance system. This may include developing a family mission statement, education program and assisting with family meetings.

Investment Management Services: Working with Clients to develop an investment policy statement and asset allocation strategy. This includes investment manager selection, recommendation and oversight, as well as ongoing portfolio review and reporting. We provide discretionary and non-discretionary investment management services. Discretionary accounts are managed in accordance with a Client’s investment guidelines. For separately managed accounts, Clients may impose certain restrictions on securities or types of securities, subject to acceptance by Arnhold. Clients whose assets are managed on a non-discretionary basis must be willing to accept that Arnhold cannot effect any transactions without obtaining client consent.

Philanthropic Strategies: Assisting in developing a philanthropic mission statement and creating philanthropic structures and planning.

Tax Services: Coordination of tax related issues between the Client and Client’s tax preparers.

Document Management: Maintaining an inventory of family documents, including organizational documents for entities, summary of significant assets, key contact lists, investment documents, and financial reports.

Expense Management: Assisting with payment of certain vendor bills and expense reporting.

Arnhold acts as the investment manager providing discretionary investment management services to affiliated private investment funds (“Private Funds”). The Private Funds are generally organized or “sponsored” by Arnhold or an affiliate, and Arnhold or an affiliate typically acts as the managing member or general partner of the Private Funds. The Private Funds are typically organized as domestic limited partnerships, limited liability companies, and non-US companies and are not registered under the Investment Company Act of 1940. Interests or shares (as the case may be) of the Private Funds are not registered under the Securities Act of 1933 and are sold on a private placement basis.

Certain Clients invest in Private Funds and separate accounts managed by Arnhold and in investment funds and separate accounts managed by third party investment managers. These include mutual funds, exchange traded funds and private investment funds managed by advisers not affiliated with Arnhold. Arnhold typically has broad and flexible investment authority with respect of allocating Client assets. Accordingly, the Clients’ assets (including assets invested or traded by third party managers) may at any time be invested in long or short positions in other securities and instruments, including U.S. or non-U.S. publicly traded or privately issued common stocks, preferred stocks, stock warrants and rights, corporate or sovereign debt, bonds, notes or other

debentures or debt participations, convertible securities, swaps, options, commodities, commodity contracts, commodity futures, currencies, financial or other futures contracts and options thereon, forward contracts and other derivative instruments.

Arnhold also manages an investment strategy focused on investing mainly in listed companies that do business in the Pacific Rim countries. This strategy may also invest a portion of its assets in securities and other assets of U.S. and non-U.S. issuers and many hold unlisted securities and debt instruments and trade in options, commodities, currencies and other assets.

Investment strategies used by Arnhold and third party underlying investment managers may utilize leverage to achieve their investment objectives.

Third party managers appointed by Arnhold on behalf of a Client are responsible for making their own investment decisions. Where Arnhold is the investment manager to a Private Fund, Arnhold provides discretionary investment advice consistent with the investment objectives, policies, restrictions and investment program described in the offering documents for the Private Fund and does not tailor such advice to investors in the Private Fund. Arnhold has the overall responsibility for implementing the investment strategies of each Private Fund. For a list of the Private Funds, please refer to Section 7.B.(1) and (2) of Schedule D of Part 1 of Arnhold's Form ADV.

D. Wrap Fee Programs

Arnhold does not participate in wrap fee programs.

E. Assets Under Management

As of December 31, 2018, the Advisor manages approximately \$3,905,753,282 in discretionary assets. Clients may request more current information at any time by contacting the Advisor.

Item 5 – Fees and Compensation

The specific way fees are charged by Arnhold is established in each client's written agreement with Arnhold. For separate account management, Arnhold typically charges an annual fee based on a percentage of assets under management.

Investment management fees for separately managed accounts are typically based on the following schedule:

Assets Under Management (\$)	Annual Rate (%)
First \$20,000,000	0.75%
Next \$30,000,000 (Up to \$50,000,000)	0.50%
Over \$50,000,000	0.25%

Unless a different arrangement is made with a Client, Arnhold will generally bill its management fees on a quarterly basis in arrears based on the average of the market value of the assets at month-end during the quarter. Clients generally elect to have fees deducted from their accounts by the Custodian. However, Clients can choose to be billed directly for fees. Management fees are typically prorated for partial periods. Arnhold calculates its fee for separately managed accounts by applying the applicable fee schedule to the value of the assets of the Client account. Arnhold will not have the authority or responsibility to value portfolio securities.

Separate Accounts can be subject to minimum annual fees. Arnhold negotiates the standard fee schedules from time to time based on certain factors, including account size, investment objectives, and the type and number of other accounts a client has with Arnhold. In addition, certain Clients or strategies do not have standard fee schedules but are individually negotiated based on a variety of factors including prior contractual relationships, and/or historical fee schedules.

Arnhold may, in its sole discretion, permit “family billing” or “householding” arrangements where the account values of related accounts are combined for the purpose of reducing the overall fees paid by the account. These may be non-contractual arrangements that Arnhold may terminate at any time.

The Advisor’s fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client. Contracts with clients typically include a provision for indemnification to Arnhold under certain circumstances. Arnhold may change its fee structure at any time.

For Private Funds, fees are described in each fund’s or offering document and the applicable fees and expenses are set forth in each private fund’s respective investment management agreement, subscription agreement and/or other governing documents, or the private fund’s offering memorandum.

Arnhold also has performance-based fee arrangements with certain Clients. See Item 6 below for additional disclosures regarding performance based compensation.

B. Other Fees and Expenses

Clients typically incur certain fees or charges imposed by third parties, other than Arnhold, in connection with investments made on behalf of the Client’s account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian and executing broker-dealer (if different). The investment management fee charged by Arnhold is separate and distinct from these custody and execution fees.

Separate account assets that are invested in Private Funds (i.e., funds managed by Arnhold) will not be subject to two levels of advisory fees. Either the advisory fee associated with the underlying Client account will be waived or reimbursed or Arnhold will waive or reduce an amount equal to the pro-rata portion of the management/advisory fee that Arnhold (or its affiliates) earns from the Private Funds. However, separate account assets that are invested in Private Funds will incur other fees and expenses associated with their investments in these funds.

With respect to Private Funds and other Clients (including separately managed accounts) that invest in funds (including private investment funds, mutual funds and ETFs) or third-party separate accounts managed by investment advisers other than Arnhold, in addition to the fees payable to Arnhold, investments in these non-affiliated funds or separate accounts will result in Clients paying asset- based and potentially performance-based fees to a third-party. All fees paid to Arnhold for investment management services are separate and distinct from the fees charged by the funds or separate accounts managed by investment managers not affiliated with Arnhold. Therefore, these Clients will generally pay two levels of fees; one layer of fees at the fund or separate account managed by the investment manager not affiliated with Arnhold level and one layer of fees to Arnhold or its affiliates. In addition, investments in these funds or separate accounts will result in other fees and expenses associated with such investments. These expenses will generally include brokerage and other transaction related costs, and the fees and expenses of service providers to these funds, such as custodians, transfer agents, administrators, valuation agents, auditors and counsel.

In addition, all fees paid to Arnhold for investment management services are separate and distinct from the expenses charged by mutual funds, private funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund’s offering document. A Client may be able to invest in these products directly, without the services of Arnhold.

In addition to fees paid to Arnhold and its affiliates for investment advisory services by funds or other Clients it advises, Arnhold also performs or arranges for certain administrative, legal, operations, compliance and accounting services and certain of these Clients (including Private Funds) may pay an administrative fee related to those services. In addition, clients incur certain transaction fees and other expenses including charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, brokerage commissions, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Also, certain US and non-US trading markets impose additional charges and penalties for trade settlement failures that will result in

additional transaction costs to Clients. These charges, fees and commissions are exclusive of and in addition to Arnhold's fee.

Private Funds and other clients bear other expenses, in addition to the fees and expenses described above, including: (1) costs and expenses with respect to any workout, restructuring, recapitalization, amendment, waiver or consent with respect to certain investments and the protection or enforcement of rights thereunder; (2) costs and expenses in connection with the acquisition of director and officer insurance; (3) due diligence, legal, custodial, accounting and related costs and expenses; (4) pricing service costs incurred in valuing investments; (5) expenses incurred in obtaining credit ratings on investments; (6) all taxes imposed on a client and all litigation expenses (and any judgments or settlements paid in connection therewith) and other extraordinary expenses; (7) the costs of forming and maintaining any alternative investment vehicle and (at the discretion of the general partner or manager of a client) the costs of maintaining any other pooled investment vehicle through which to invest; (8) insurance costs; (9) interest and commitment fees payable in connection with credit facilities made available to a client; (10) fees of outside auditors and tax preparers and the costs of preparation of the books and records and tax returns of a client, including periodic reports to limited partners, and fund administration service provider expenses; (11) costs of liquidation and termination of a client; (12) all other costs incurred in connection with the administration of a client; (13) any other expenses actually incurred on behalf of a client and paid by Arnhold in connection with the management of certain investments; and (14) certain other fees and expenses that may be authorized under a fund's governing documents or account documents.

Item 6 – Performance-Based Fees and Side-By-Side Management

Arnhold may charge performance-based fees – that is, fees based on a share of capital gain or capital appreciation of the assets of a Client – in connection with certain Client accounts, including Private Funds. There are potential conflicts of interest that arise due to the side-by-side management of fixed fee accounts with performance fee accounts as there may be an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. In addition, performance-based fee arrangements may create an incentive for Arnhold to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. A similar conflict may exist from certain Client accounts paying higher asset-based fees than other accounts or accounts containing assets owned by Arnhold, its employees, or its owners and their affiliates.

To manage those potential conflicts, Arnhold has adopted a number of compliance policies and procedures, including a Code of Ethics, a Compliance Manual, and trade allocation policies that seek to reasonably ensure that investment opportunities are allocated fairly among clients. Arnhold does not consider fee structures in allocating investment opportunities.

Item 7 – Types of Clients

Arnhold offers investment management services primarily to private investment funds, institutional accounts and high net worth individuals and their affiliated entities. Arnhold generally requires minimum account sizes, which are based on mandate and type. Arnhold reserves the right, in its sole discretion, to waive or change investment minimums in certain circumstances.

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

A. Methods of Analysis

Arnhold primarily employs a fundamental analysis method in developing investment strategies for its Clients. Research and analysis from Arnhold is derived from numerous sources, including financial reports, prospectuses, and press releases of issuers, third-party research materials, media reports, and databases.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are trading in the market

at a discount to their economic value. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in "Item 13 – Review of Accounts".

As noted above, for certain Client accounts Arnhold invests Client assets in underlying funds and/or separately managed accounts managed by third party investment managers. In reviewing investment opportunities for these Clients, Arnhold conducts due diligence and research on the underlying funds and the investment managers to satisfy itself as to the suitability of the investment manager and the investment terms associated with the underlying fund, if any. Arnhold allocates and reallocates these Clients' assets among underlying funds and third-party investment managers based on its knowledge and experience to assess the investment managers' capabilities and to determine what Arnhold believes is an appropriate allocation to various investment sectors and styles. With respect to underlying funds and third-party investment managers, Arnhold evaluates investments based on some of the information listed above and a variety of other factors, including the investment managers' investment performance, discipline and philosophy, discussions and meetings with investment managers, ownership structure, and reviews of the underlying funds' operations and the underlying funds' and investment managers' service providers.

B. Risk of Loss

Investments in securities and other financial instruments involve risk of loss that investors must be prepared to bear. Below are certain risks associated with the strategies discussed above. This is a summary only. The specific risks applicable to a client will depend upon various factors. Private Fund investors should refer to the particular fund's offering document for more detailed explanation of risks. Investors or potential investors should be aware that an investment in a Private Fund or Arnhold separately managed account is not intended to provide a complete investment program. Arnhold and third-party investment managers may use investment techniques such as margin transactions, short sales, option transactions, forward and futures contracts, and other derivatives trading, which may increase the risk of losses. There can be no guarantee that Arnhold's or any third-party investment manager's investment program will be successful, and investment results may vary substantially over time. Arnhold does not have any responsibility for, involvement with or control over any third-party investment manager's investments or other activities.

Following are some of the risks associated with the Adviser's strategies:

Market Risk

The value of a client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad.

Non-U.S. Investment Risk

Non-U.S. investments often involve special risks not present in U.S. investments that can increase the chance of losing money. These risks include risks associated with non-U.S. custodians and depositories and changes in currency exchange rates. In addition, non-U.S. investments may be subject to less politically and economically stable environments with a greater likelihood of abrupt changes to government regulation than in the U.S.

Emerging Market Risk

Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative.

Performance Fees

Arnhold and its affiliates and third-party investment managers may receive performance-based fees or allocations. These performance-based fees and allocations may create incentives for Arnhold and the third-party investment managers to make more risky or speculative investments than they would otherwise make.

Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

Margin Borrowings

The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

Private Investment Funds Risk

Private investment funds are not registered under the Investment Company Act of 1940 and are therefore not subject to the regulatory requirements it imposes. An investment in a private fund involves risks not typically associated with traditional investment funds. These risks include limitations on transfers, valuation of the underlying investments and transparency with respect to the fund's underlying investments. These funds are not readily marketable and have limited liquidity.

Diversification Risk.

Client accounts may not be diversified across a wide range of asset classes or issuers which could increase the risk of loss and volatility than would be the case if the Client account were diversified across asset classes or issuers because the value of holdings would be more susceptible to adverse events affecting that asset class or issuer.

Short Sale Risk

Short sale strategies can be riskier than "long" investment strategies. To the extent that a short sale involves the sale of a security that is not owned, the potential losses are unlimited.

Derivatives Risk

Certain strategies permit the use of derivatives to create market exposure. Futures contracts and other "derivatives" present risks related to their significant price volatility and risk of default by the counterparty to the contract. Derivatives may be illiquid, difficult to price, and leveraged, so that small changes may produce disproportionate losses and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, the investment may not realize the anticipated benefits from a derivative or it may realize losses. Derivative transactions may create investment leverage, which may increase a portfolio's volatility and may require that an investment portfolio liquidate a portfolio holding at a disadvantageous time.

Real Estate Investment Trusts ("REITs")

Investing in Real Estate Investment Trusts ("REITs") involves certain distinct risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of credit extended. REITs are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs, especially mortgage REITs, are also subject to interest rate risk (i.e., as interest rates rise, the value of the REIT may decline).

Item 9 – Disciplinary Information

Item 9 is not applicable to us as we have no reportable material legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

Arnhold is not registered as a broker/dealer, a futures commission merchant, a commodity pool operator, and/or a commodity trading advisor.

Mr. Arnhold and certain employees have interests in or are affiliated with other investment advisers (including ownership interests in First Eagle Investment Management, LLC), broker-dealers or financial services firms. Client assets are invested in funds and other products managed by these investment advisers. This may create a conflict of interest and financial incentive for Arnhold to allocate client assets to these firms, including First Eagle. See also the "Form ADV Part 2B – Brochure Supplement" for Mr. Arnhold and each employee.

Arnhold and its affiliates act as general partner to private investment funds managed by Arnhold and its affiliates. Arnhold Funds GP, LLC, an affiliate of Arnhold, acts as the general partner of certain Private Funds. Arnhold invests certain clients' assets in these and other investment funds managed by Arnhold and its affiliates.

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

A. Code of Ethics

Arnhold has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with Arnhold (our "Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Arnhold and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Arnhold's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest, including but not limited to the acceptance and provision of gifts and business entertainment, outside business activities, political contributions, charitable contributions and privacy.

We will provide a copy of our Code upon request.

B. Participation or Interest in Client Transactions

Arnhold and its affiliates may participate or have an interest in client transactions as described below.

Principal and Agency Transactions

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliate, buys from, or sells a security to, a Client. Principal transactions present conflicts of interest which may include the adviser or affiliate earning a fee or earning (or losing) money as a result of the transaction. Arnhold does not generally engage in principal transactions with Clients. Subject to applicable rules and regulations, if Arnhold were to engage in principal transactions, Arnhold would disclose the transaction to the client and obtain the Client's consent in accordance with Section 206-3 of the Investment Advisers Act of 1940.

Cross Transactions

Cross trades involve the transfer, sale or purchase of assets from one Client to another Client without the use of a broker-dealer. Arnhold may engage in cross trading, where permissible, if it determines that such action would be favorable to both Clients and the terms of the transaction are fair to both parties.

Participation or Interest in Personal Trading – Client Trading

Arnhold and its employees may purchase, sell, or otherwise enter into transactions for their own accounts in securities and other instruments. Prior to, or simultaneously with, or after such transactions, Arnhold may, for its Clients, purchase, sell, or otherwise enter into transactions involving any of these same securities or other instruments, and any related securities or instruments (including securities issued by the same issuer, options on such securities or instruments, and instruments convertible into such securities or instruments). Arnhold has adopted the Code of Ethics discussed above to address potential conflicts. Subject to certain restriction, Arnhold and its affiliates and each of their employees personally may at any time hold, acquire, increase, decrease, dispose of or otherwise deal with positions in investments in which a client account may have an interest from time to time. Arnhold has no obligation to acquire for a client account a position in any security which it acquires on behalf of another client, or which an employee acquires for his or her own account. Likewise, client accounts shall not have first refusal, co-investment or other rights in respect of any such investment.

Participation or Interest in Personal Trading – Client Recommendations

Arnhold and its affiliates and their related persons are permitted to buy or sell securities that they also recommend to clients. This may include Arnhold and its employees acting as general partner, investment adviser or managing member to private funds in which clients are solicited to invest or that are recommended to clients. Arnhold may take a position for an advisory client (including a private investment fund) and affiliates of Arnhold may take positions for their own accounts in a security contrary to the position held in the same security (e.g., a short versus a long position) by clients of Arnhold. It is possible that Arnhold or its affiliates may, from time to time, cause short sales for a client to be executed following long transactions for other clients (including proprietary accounts) in the same security. There is a possibility that employees might benefit from market activity by a client in a security held by an employee. The Code is designed to mitigate potential conflicts of interest and improprieties, including even the appearance of impropriety in employees' personal actions. The nature and timing of actions taken by one or more of Arnhold's employees or by one or more of Arnhold's affiliates, either for their own accounts or for the accounts of clients, may differ from the nature and timing of actions taken by Arnhold for client accounts.

Arnhold Investments in Private Funds and Other Firm Products

Arnhold and its affiliates and their employees are investors in Private Funds that are managed by Arnhold and its affiliates. Arnhold and its affiliates also maintain separately managed accounts for Arnhold and its affiliates and their employees. Arnhold may reduce or waive fees for Arnhold, its affiliates and their employees and family members. Arnhold's management of accounts with proprietary and related interests alongside nonproprietary client accounts creates a potential incentive to favor the proprietary and related accounts over nonproprietary accounts in the allocation of investment opportunities, time, aggregation and timing of investments. Arnhold has adopted allocation and other policies and procedures.

Outside Business Activities

Certain types of outside affiliations or other activities may pose a conflict of interest. "Outside affiliations" include relationships in which Arnhold personnel serve as an employee, director, officer, partner or trustee of a public or private organization or company other than Arnhold or its affiliated entities, including joint ventures, portfolio investment companies, mutual fund boards or non-profit, charitable, civic or educational organizations. Those relationships may or may not be related to employment with the firm. Firm personnel may serve as an executor, trustee, guardian or conservator. The Firm generally permits employees to engage in philanthropic, charitable or other similar pursuits, subject to certain limitations.

Item 12 – Brokerage Practices

Generally, Arnhold receives full discretion from its Clients to choose broker-dealers through whom transactions may be executed. This means that Arnhold has discretion to select broker-dealers and negotiate the transaction costs, including commissions or spreads, in the execution of client portfolio transactions. It is Arnhold's policy to use its best efforts to obtain the best price on every trade given all the relevant circumstances. However, in addition to price, Arnhold may also consider the size of the transaction, liquidity of both the security and the market, the broker's ability to provide or find liquidity, time limitations, and confidentiality of the transaction. In addition, Arnhold may consider research and other services in making brokerage decisions. Accordingly, Clients may be able to obtain more favorable brokerage commission rates elsewhere.

Arnhold and its affiliates may select one or more firms to serve as prime broker ("Prime Broker") to hold the funds and securities of the Private Funds, and certain separately managed accounts may establish a prime-brokerage relationship. The Prime Broker may also execute transactions on behalf of Private Funds and separate account clients. Specific trades may be "traded away," where trades are executed through brokers other than the Prime Broker in order to gain access to greater inventory or better price or execution. Arnhold may also select Prime Brokers it believes will provide specific services beneficial to a Private Fund, allowing the Private Fund to operate more effectively and efficiently, including providing Arnhold with electronic access to account information and trade confirmations and investor reporting.

Recommendation of Custodian[s]

All Clients are required to establish and maintain their accounts at a "qualified custodian". For separately managed accounts, the Client shall engage the Custodian and authorize Arnhold to access its account[s] to provide its investment management services. Arnhold will generally recommend that Clients establish their account[s] at Bank of America, N.A. ("Bank of America"). Bank of America will serve as the Client's "qualified custodian". Arnhold maintains an institutional relationship with Bank of America. Arnhold will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated Custodian. Arnhold and its affiliates receive economic benefits from Bank of America. Our recommendation of Bank of America may be based in part on the economic benefit to Arnhold and its affiliates and not solely on the nature, cost or quality of custody and brokerage services provided to Clients. This may create a conflict of interest as such benefits could potentially influence Arnhold to recommend U.S. Trust based on the benefits it provides to Arnhold and its affiliates. We nonetheless strive to act in your best interests at all times. Please see Item 14 below. Other custodians may from time to time be recommended depending on a particular client's needs.

Soft Dollars, Research and Commission Sharing

Under certain circumstances consistent with applicable law and regulation, Arnhold may select broker-dealers that furnish Arnhold with proprietary and third-party brokerage and research services in connection with commissions paid on transactions it places for Client accounts. These brokerage and research services that Arnhold receives are consistent with the provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended. Arnhold may direct execution of Client transactions, including principal or agency transaction in over-the-counter ("OTC") securities, to certain brokers in recognition of their furnishing investment research and brokerage services, including, but not limited to: information and analyses concerning specific securities, companies or sectors; meetings with company executives; market, financial and economic studies and forecasts; discussions with research personnel; wire services, appraisals or evaluations of potential or existing investments; certain financial and industry publications; statistical and pricing services; along with software, databases and other services utilized in the investment management process. The availability of such research and brokerage services may create a conflict between the interests of the client in obtaining the lowest cost execution and Arnhold's interest in obtaining such services. When Client brokerage commissions are used to obtain research or other products or services, Arnhold receives a benefit because it does not have to produce or pay for the research, products or services.

In general, research and brokerage services obtained from brokers are used to benefit all clients as a group and not solely or necessarily for the benefit of the particular Client whose trades are handled by the broker providing such services. Therefore, a Client may pay commissions for providing services that are not used directly in the management of such Client's account. Clients may, on the other hand, benefit from research and brokerage services obtained from brokers to whom such Clients pay little or no commissions. Where appropriate, Arnhold may allocate mixed-use products and services as payable in cash by Arnhold (to the extent not utilized by Arnhold as brokerage or research) or through commission costs (to the extent utilized by Arnhold as brokerage or research). In allocating brokerage commissions from mixed-use items, Arnhold makes a good faith determination as to the product or service's relation to the investment decision-making process. The receipt of mixed-use products and services and the determination of the appropriate allocation may create a potential conflict of interest between Arnhold and its Clients.

Arnhold may cause Client accounts to pay brokers a commission (or markup or markdown) in excess of the amount of commission (or markup or markdown) another broker qualified to effect such transactions would have charged for effecting the same transactions, absent the research or brokerage services. Arnhold will do so only where it determines in good faith that such commission is reasonable in relation to the brokerage and research services provided by such broker. Arnhold may use brokers to execute orders in OTC stocks on an agency basis, in which case a Client may pay both a mark-up or a mark-down and a commission. Arnhold will utilize brokers to execute OTC transactions when it believes that it is in the Client's best interests to do so, either by maintaining the anonymity of the principal or for other reasons connected with the trading situation at the time the trade is placed. A significant portion of brokers through whom Arnhold executes orders provide research products and services to Arnhold. These products and services may include: economic, industry, municipal, sovereign (U.S. and non-U.S.), legal, or political research reports; market color; company meeting facilitation; expert network consultations and investment recommendations. Arnhold may request that a broker provide a specific proprietary

or third-party product or service. Certain brokers that provide research and brokerage services to Arnhold may obtain such products and services from a third party. Arnhold may obtain quotes and other market data information in this manner. Certain brokers may also invite investment personnel of Arnhold to attend investment conferences sponsored by such brokers. Because brokers may combine the costs of their proprietary research services with the cost of securities execution services in the form of "bundled" commission rates, it may be difficult to quantify the cost of these research services.

Brokerage Referrals - Arnhold does not select brokers in exchange for Client referrals.

Aggregating and Allocating Trades

As described above, we serve as the investment manager or investment adviser to certain private funds and separately managed accounts. Persons associated with our firm may have significant investments in these funds.

Arnhold and its affiliates manage Client accounts that invest in similar or different investments. The management of these Client accounts may conflict in some circumstances. For example, we may determine that an investment opportunity in a Client account is appropriate for a particular Client, but not for another. We have different types of Clients, including private funds and separate accounts, and our Clients may be subject to different regulations and tax regimes. Clients may have different investment strategies, objectives and restrictions and may be subject to different terms. These terms include, but are not limited to, the following: investor lock-up periods, management and performance fees, liquidity terms, rights to receive information regarding the portfolio and such other rights as may be negotiated by investors or other accounts. As a result, we may have an incentive to favor one account over another when making investment decisions.

There may be instances when allocating investments among clients in which some Clients may participate in certain opportunities while other Clients may not. Where accounts have competing interests in a limited investment opportunity, we may not allocate investment opportunities pro rata among Clients but rather allocate investment opportunities on the basis of numerous other considerations, including, without limitation, a Client's cash flow, investment objectives and restrictions, participation in other opportunities, compliance with applicable laws, and tax concerns as well as the relative size of different accounts' same or comparable portfolio holdings. It is important to note that it is our policy to allocate, to the extent operationally and otherwise practical, investment opportunities to each client on a fair and equitable basis relative to our other Clients.

To ensure that accounts of all Clients and portfolios are treated fairly in the event we place orders for the same security for more than one account at or about the same time, we may combine orders placed on behalf of Clients (including advisory accounts in which Arnhold and its affiliates and their employees have an interest) for the purpose of negotiating brokerage commissions or obtaining a more favorable price. We seek to allocate investments across applicable Client accounts in a manner that is fair and equitable on an overall basis to all such accounts. These orders may be averaged as to price and allocated to accounts in amounts according to each account's daily purchase or sale orders or on some other equitable basis. We are not required to allocate on a pro rata basis if, in our sole discretion, we believe that another manner of allocating such investment is fair and equitable on an overall basis to all applicable clients under the circumstances, taking into account relevant characteristics of each applicable Client. Although the aggregation of trade orders is expected to benefit Clients overall, aggregation may, in any circumstance, disadvantage a particular Client. There may be circumstances in which we determine not to aggregate Client trade orders that otherwise could have been aggregated or in which aggregation is not feasible.

Item 13 – Review of Accounts

A. Frequency of Reviews

Investments in Client accounts are monitored on a regular and continuous basis by Advisory persons of Arnhold and periodically by Christa M. Dorrego, Chief Compliance Officer. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

B. Causes for Reviews

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Arnhold if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

Item 14 - Client Referrals and Other Compensation

A. Compensation Received by Arnhold

Arnhold does not receive commissions or other compensation from product sponsors, broker-dealers or any unrelated third party. Arnhold may refer Clients to various unaffiliated, non-advisory professionals (e.g. attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, Arnhold may receive non-compensated referrals of new Clients from various third-parties.

B. Client Referrals from Solicitors

Arnhold does not engage paid solicitors for Client referrals.

Item 15 – Custody

Arnhold may be deemed to have “custody” of client funds or securities within the meaning of Rule 206(4)-2 under the Investment Advisers Act of 1940 because Arnhold may have access to or authority over client accounts for purposes other than, among other things, issuing trading instructions. If Arnhold is deemed to have custody of a client's account, the client's custodian will send them periodic account statements indicating the amounts of any funds or securities in the account as of the end of the statement period and any transactions in the account during the statement period. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. Clients should carefully review these statements and compare such official custodial records to any account statements that Arnhold may provide. Arnhold's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Clients are advised to notify Arnhold promptly if account statements are not received from their respective account's custodian on at least a quarterly basis.

Because Arnhold and its affiliates serve as general partner or managing member of certain private funds, Arnhold is deemed to have constructive “custody” over the assets of these private funds within the meaning of Rule 206(4)-2 under the Investment Advisers Act of 1940. To comply with this Rule, these private funds will distribute to investors audited financial statements within 120 days following the private fund's fiscal year end (180 days in the case of any fund of funds). Investors in the private funds who have not received audited financial statements on a timely basis should contact Arnhold without delay.

Arnhold generally does not accept or maintain physical custody of any Client accounts, except for authorized deduction of the Advisor's fees.

All Clients must place their assets with a “qualified custodian”. Clients are required to engage the Custodian to retain their funds and securities and direct Arnhold to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by Arnhold to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see “Item 12 - Brokerage Practices”.

Item 16 – Investment Discretion

Arnhold generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be

subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Arnhold. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment management agreement containing all applicable limitations to such authority. All discretionary trades made by Arnhold will be in accordance with each Client's investment objectives and goals.

Item 17 – Voting Client Securities

Arnhold accepts proxy-voting responsibility for any Client. The Advisor will receive proxy statements directly from the Custodian. The Advisor may retain a service provider to administer and vote proxies on behalf of Clients. The service provider will have policies and procedures in place to ensure that proxies are voted in accordance with the Client's best interest.

Item 18 – Financial Information

Neither Arnhold, nor its management, have any adverse financial situations that would reasonably impair the ability of Arnhold to meet all obligations to its Clients. Neither Arnhold, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise. Arnhold is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect fees of \$1,200 or more for services to be performed six months or more in advance.

Privacy Policy

Effective: March 27, 2018

Our Commitment to You

Arnhold LLC ("Arnhold" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Arnhold (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Arnhold does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

What information do we collect from you?

Driver's license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
Servicing our Clients We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
Marketing Purposes Arnhold does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Arnhold or the client has a formal agreement with the financial institution. We will only share information for purposes of servicing your accounts, not for marketing purposes.	No	Not Shared
Authorized Users Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).	Yes	Yes
Information About Former Clients Arnhold does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (212) 651-3700 or at info@arnholdllc.com.