

Part 2A of Form ADV: Firm Brochure

Item 1: Cover Page

**Intrepid Capital Management, Inc.
1400 Marsh Landing Parkway
Suite 106
Jacksonville Beach, FL 32250
(904) 246-3433
www.intrepidcapital.net**

March 26, 2013

This brochure provides information about the qualifications and business practices of Intrepid Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at (904) 246-3433 (phone) or invest@intrepidcapital.net (e-mail). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Intrepid Capital Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The Intrepid All Cap Fund has changed its name to the Intrepid Disciplined Value Fund. Along with the name change, the principal investment strategies also changed. See the Intrepid Capital Funds Trust Prospectus for additional information.

Charlie Funkhouser's primary job responsibility has been changed from a client advisor relationship role to internal operations and administrative management.

Clay Kirkland joined Intrepid Capital Management in 2012. Parts of his primary responsibilities include alternative investment sales functions.

Item 3: Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees & Compensation.....	9
Item 6: Performance-Based Fees	11
Item 7: Types of Clients.....	12
Item 8: Method of Analysis, Investment Strategies and Risk of Loss	13
Item 9: Disciplinary Information	17
Item 10: Other Financial Industry Activities and Affiliations	18
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	19
Item 12: Brokerage Practices	20
Item 13: Review of Accounts	22
Item 14: Client Referrals and Other Compensation.....	23
Item 15: Custody.....	24
Item 16: Investment Discretion.....	25
Item 17: Voting Client Securities	26
Item 18: Financial Information	28

Item 4: Advisory Business

Intrepid Capital Corporation, incorporated as a Delaware corporation in 1998, is a financial services holding company that conducts its business through its wholly-owned subsidiary, Intrepid Capital Management, Inc. (the “Company”, or the “Advisor”).

The Advisor, incorporated in Florida in 1994, is an investment management firm focused on finding value in equity and fixed income markets for institutional, corporate, and wealthy investors.

The Company has over 18 years of successful investment experience and a strong focus on partnering with clients to ensure their investment goals are realized. We differentiate ourselves by managing concentrated portfolios with low turnover, seeking absolute returns, and co-investing with our clients.

We believe that our investment style allows us to pursue the best value we can find in the markets with the goal of achieving superior risk-adjusted returns. We also believe that sound strategies, executed consistently, are the keys to long-term success.

As of December 31, 2012 we managed approximately \$1,400,000 on a discretionary basis. We also managed approximately \$4,000,000 on a nondiscretionary basis.

We offer the following investment advisory services to our clients:

I. ASSET MANAGEMENT SERVICES

We offer a separately managed account (a “SMA”) investment option, which is administered through the client’s custodian. The program includes the following:

- a. **Investor Profile:** We consult with the client to obtain detailed financial information and other pertinent data on an investor profile worksheet to enable the client to determine the appropriate investment guidelines, risk tolerance, net worth, net income and other factors that will assist in ascertaining the suitability of a SMA.
- b. **Portfolio Management Selection:** We diversify and manage the client’s portfolio, which includes but is not limited to stocks, bonds, and money market instruments. We manage the client’s account on an individual basis. Further restrictions and guidelines imposed by clients affect the composition and performance of portfolios. For these reasons, performance of portfolios within the same investment objective may differ. Therefore, clients should not expect that performance of their portfolios will be identical with our average client.
- c. **Performance Evaluation and Monitoring Services:** We will furnish performance measurement services to our clients, provided by the custodian and through internally generated reports, in the form of quarterly performance evaluation reports. The internal reports are intended to inform clients as to how

their investments have performed for the selected period of time. We are also available for periodic meetings at the request of the client. In the event that we are contracted through a sub advisor, client contact may be restricted. Some brokers may provide performance analysis in place of, or in addition to the information provided by us.

- d. **Discretionary Authority:** We will have discretionary authority to buy and sell securities. The client may also elect to have their accounts managed on a non-discretionary basis. The client's custodian may charge a transaction fee or commission on any transaction. The brokerage firm will be charging their own fees outside of advisory fees that we collect. Prior written authorization for the withdrawal of the quarterly fee is obtained from the client and written notification of the quarterly fee is provided to the client prior to debiting the client's account. If there is inadequate cash available to pay the quarterly fee, the client's prior authorization will permit us to liquidate securities to pay for the fees.
- e. **Custodian Commissions:** The custodian has the responsibility to disclose its commission charges to the client. For accounts managed on a discretionary basis, the client shall grant the Firm sole discretion to purchase, sell, exchange, convert and otherwise trade securities and other investments in the client's account. This trading authorization is continuing in nature and shall remain in effect until terminated by the client or us.

II. MUTUAL FUNDS

- a. We serve as the investment adviser to the Intrepid Capital Funds Trust ("ICFT"), a series of non-diversified, open-end mutual funds consisting of seven no-load mutual funds. The ICFT currently consists of seven funds; The Intrepid Capital Fund-Investor Class, The Intrepid Capital Fund-Institutional Class, The Intrepid Small Cap Fund-Investor Class, The Intrepid Small Cap Fund-Institutional Class, The Intrepid Disciplined Value Fund, The Intrepid Income Fund-Investor Class and The Intrepid Income Fund-Institutional Class (collectively, the "Funds"). As such, we furnish continuous investment advisory services to the Funds and are primarily responsible for the day-to-day management of the investment portfolio of the Funds.
- b. For all accounts, we may invest client cash balances in money market funds and may invest client property in other mutual funds. In addition to the fees we charge, each of the money market funds or mutual funds in which clients' funds may be invested also pay its own investment advisory fees and expenses. To the extent that clients invest in mutual funds, other than the Funds, such clients effectively will pay two levels of advisory fees, one for the management of their assets so invested (i.e. to us) and indirectly through the management fees assessed the mutual fund by its investment adviser. Clients will not pay an investment advisory fee to us with respect to assets in their accounts that are invested in the Funds. However, clients will bear their individual proportional share of fees and

expenses paid by the Funds including the investment advisory fees paid by the Fund to us.

III. FINANCIAL PLANNING SERVICES

- a. We provide financial planning on an "as needed" basis. The typical client requesting this service is likely to be a person with varying amounts of investable net worth. We generally intend to provide these services to persons with an investable net worth from \$500,000 or more. We may, in our discretion, prepare a financial plan for a client with a net worth less than \$500,000. The nature of the services to clients will be applicable at a point in time based on information provided by the client and documented in the Financial Planning Agreement. The Financial Planning Agreement will terminate upon delivery of the financial plan, except for the client's obligation to pay the agreed-upon fee per the agreement, the limitation on liability and the arbitration provision described in the agreement. However, some clients may contact us for a plan update, and such an update will be a new engagement with a separate fee.
- b. The written financial plan will be based on documentation provided by the client as set forth in the Financial Planning Agreement, including a Planning Questionnaire, and the client will be made aware that a failure to provide accurate and current information may adversely affect the quality of the financial plan.
- c. We charge a fixed fee of \$1,500 for a full financial plan. We do not intend to negotiate fees for this service. We will have the client prioritize in what order the aspects of the plan should be completed, and will spend our time working in that order.

In order to be flexible in providing financial services to clients, we can provide a plan that considers only a part of the client's total financial portfolio (i.e. client's 401(k) Plan). The client can determine how much time we should spend on their partial or full plan and a flat fee will be charged based on the type of services provided to the client.

We will provide a written plan and the client may implement all, some, or none of the suggestions as the client sees fit. We will send a written statement of the fee after the presentation which is payable within 30 days of the date of the invoice.

- d. Our financial planners may from time-to-time determine that an investment in a product or service offered by the Advisor or by a company affiliated with the Advisor is consistent with the client's financial situation or the recommendations contained in the client financial plan. In addition, the client may decide, at the client's own independent discretion, to implement all or a portion of the client financial plan through the purchase of financial products offered by or through us or an affiliated company. In those circumstances, we will receive investment advisory fees as the adviser to the ICFT.

In addition, the Advisor or our employees may recommend or take action in the performance of our duties for our other clients (including those who may have or are also receiving financial planning advice) that may differ from the recommendations or advice given to a client based on their specific financial plan. Differences may arise, but are not limited to the timing and nature of the recommendation or action taken. The Financial Planning Agreement will not be deemed to impose on us or our employees any obligation to recommend for purchase or sale any securities or other investments to the client even though we may purchase or sell or recommend for purchase or sale for our accounts or for the account of any of our other clients.

In addition, we and our employees may make personal investments in securities and other financial products that we also recommend to our clients.

- e. Prior to the delivery of a financial plan, either party may terminate the Financial Planning Agreement for any reason upon written notice. In the event of a termination prior to delivery, we will be entitled to compensation at the rate of \$100 per hour for the time expended on the preparation of the financial plan, although we may, at our discretion, waive the right to this compensation if the client is unsatisfied with the services provided. If the Financial Planning Agreement is terminated prior to the delivery of the financial plan by us, we will be under no obligation to provide the client with a financial plan. We may, however, at our discretion, deliver the financial plan without further obligation.

The client should refer to the Financial Planning Agreement for a full understanding of our financial planning services and obligations.

IV. OTHER SERVICES – HEDGE FUND

The Intrepid Capital L.P. (the “Partnership”) is an investment partnership designed to allow qualified investors to participate in a professionally managed, diversified investment program, which primarily invests in publicly traded equity securities by holding both long and short positions, and corporate debt. The Partnership’s investment objective is capital preservation and long-term capital appreciation in excess of the broad equity averages.

- a. The Advisor acts as the General Partner of the Partnership and has sole responsibility for the management of the Partnership’s business and investments. We also have discretionary authority to select investments in trading activities on behalf of the partnership.
- b. The minimum investment in the Partnership is \$500,000 unless the General Partner allows a smaller investment; provided, however, that each investor have a minimum \$1,000,000 under management with us or more than \$2,000,000 net worth.

- c. The Partnership pays us a quarterly management fee equal to $\frac{1}{4}$ of 1% of the net assets in the Partnership as of the beginning of the calendar quarter for bearing the overhead expenses and providing investment management services for the Partnership. In addition, as the General Partner, the Advisor will receive a performance incentive allocation of 20% of any New High balance in each limited partner's account for each Allocation Period. An Allocation Period is generally a 12-month period and a New High is any amount by which the value of the limited partner's account at the end of an allocation period exceeds the highest value at the beginning of any allocation period, disregarding capital additions and withdrawals, and taking into consideration any decrease in an account from a prior allocation period. Any performance-based allocation will be made in accordance with Rule 205-3 of the Investment Advisers Act of 1940.
- d. Clients who invest in the Partnership should also refer to the Private Placement Memorandum for, among other things, additional disclosure about the risks in investing in the Partnership and our relationship with the Partnership.

Item 5: Fees & Compensation

We are compensated for our advisory services as follows:

FEES-PERCENTAGE OF ASSETS UNDER MANAGEMENT

EQUITY & BALANCED ANNUAL FEE:

\$3,000,000 - \$10,000,000	1.00%
\$10,000,000 and up	Negotiable

HIGH-YIELD FIXED INCOME ANNUAL FEE:

\$10,000,000 - \$100,000,000	0.75%
\$100,000,000 and up	Negotiable

The minimum balance for an Equity and Balanced managed account is \$3,000,000. The minimum balance for a High-Yield Fixed Income account is \$10,000,000. However, we may accept accounts which have a lower minimum value at our discretion. All accounts are billed 25% of the annual fee in advance on a quarterly basis. Each quarterly billing is applied to the market value of the account, including cash equivalents, on the last day of the preceding quarter. Circumstances affecting fees and quarterly billing are negotiable and will be discussed prior to initiating the program with us. All fee changes to client agreements may be made with thirty (30) days written advance notice.

The agreement may be terminated by either party upon thirty (30) days written notice and the client is entitled to a pro-rata refund of any prepaid quarterly fees. Clients who terminate the agreement within five (5) days of signing the agreement shall be provided a full refund.

The Partnership pays the Advisor, acting as the General Partner, a quarterly management fee equal to $\frac{1}{4}$ of 1% of the net assets in the Partnership as of the beginning of the calendar quarter.

FEES-PERCENTAGE BASED ON THE AVERAGE DAILY NET ASSETS

The ICFT's seven mutual funds; the Intrepid Capital Fund – Investor Class ("ICMBX"), the Intrepid Capital Fund – Institutional Class ("ICMVX"), the Intrepid Small Cap Fund – Investor Class ("ICMAX"), the Intrepid Small Cap Fund – Institutional Class ("ICMZX"), the Intrepid Disciplined Value Fund ("ICMCX"), the Intrepid Income Fund – Investor Class ("ICMYX"), and the Intrepid Income Fund – Institutional Class ("ICMUX") all pay an investment management fee to the Advisor.

Each mutual fund's fee is calculated based on the amount of the individual mutual fund's average daily net assets and is paid monthly. The annual investment management fee payable to us from ICMAX, ICMZX, ICMBX, ICMVX, and ICMCX is 1.00%, while ICMYX and ICMUX's annual fee is 0.75%. As the investment adviser, we have

contractually agreed, through January 31, 2014, to reduce our monthly fee and/or reimburse each fund to the extent necessary to ensure that the specific fund's net annual operating expenses does not exceed 1.40% for ICMAX, ICMBX and ICMCX, 1.15% for ICMVX, ICMYX, and ICMZX or .90% for ICMUX. If we reduce our fee or reimburse expenses in a particular month, we can request reimbursement, from that particular mutual fund, for that waiver or reimbursement in the subsequent three-year fiscal period assuming that reimbursement would not cause the net operating expenses of that particular fund to exceed its contractually agreed upon annual cap. Our investment advisory agreements must be renewed every year by a majority of all of the trustees of the ICFT.

FEES-PERFORMANCE BASED

See description under Item 6.

FEES-OTHER

Clients may incur other fees or expenses in connection with their investments that are not paid to the Advisor.

For separately managed accounts, clients may incur brokerage or other transaction fees, annual account fees, or other brokerage or custodian charges as determined by where their account is held.

As a shareholder in one or more of the ICFT's seven mutual funds, expenses associated directly with the Funds, as well as, transaction or brokerage costs may be incurred. The ICFT is responsible for paying fees associated with administering and maintaining the trust and its mutual funds. These fees include, but are not limited to accounting, administration, custody services, legal, and transfer services, and are charged pro-ratably across the Funds. In addition, separate transaction fees and account maintenance fees may be charged directly by brokers and custodians.

In addition to the fees paid by the Limited Partners of the Partnership described under Item 4.V., the Limited Partners also indirectly pay their pro rata share of the Partnership's expenses. These fees include, but are not limited to accounting fees, registration fees, software expense, and tax fees.

Item 6: Performance-Based Fees

As the General Partner of the Partnership, the Advisor will receive a performance incentive allocation of 20.00% of any New High balance in a limited partner's capital account for each Allocation Period. An Allocation Period is generally a 12-month period and a New High is any amount by which the value of a limited partner's account at the end of any allocation period exceeds the highest value at the beginning of any allocation period, disregarding capital additions and withdrawals, and taking into consideration any decrease in an account from a prior allocation period.

The General Partner performance incentive fee for the Partnership is billed annually on the last day of the allocation period, which is typically the calendar year end.

Apart from the Partnership, we do not charge a performance-based fee. By charging a performance-based fee upon the capital accounts of limited partners of the Partnership, we have an incentive to favor the Partnership account over the accounts of clients who are not charged an incentive fee. For example, there is the incentive to place the best trades for the Partnership over that of our other clients. We address this conflict by trading in blocks for a particular strategy for all of our accounts, regardless of the compensation terms. We also have an incentive to steer the assets of clients to the Partnership. We address this conflict by disclosing this conflict to clients and prospective investors in the Partnership.

Item 7: Types of Clients

The Company provides advisory services for three basic types of accounts; a SMA, mutual funds in the ICFT, and the Partnership.

For SMAs, usually offered to corporate, institutional, and high-net worth individual investors, the general description of accounts offered and account minimums are described in Item 5: Fees & Compensation.

For the mutual funds in the ICFT, the type of investment and minimum investment varies based on the type and class of the fund. Each fund is generally described as follows; ICMAX and ICMZX – small cap equity value, ICMBX and ICMVX – moderate allocation balanced, ICMCX – mid-cap equity, and ICMYX and ICMUX – high-yield bond.

For the investor class funds; ICMAX, ICMBX, ICMCX, and ICMYX, the minimum investment is as follows:

	<u>Minimum</u>
IRA Accounts	\$2,500
- with automatic investment plan	\$2,500
All other Accounts	\$2,500
- with automatic investment plan	\$2,500

For the institutional class funds; ICMUX, ICMVX, and ICMZX, the minimum investment is as follows:

	<u>Minimum</u>
Minimum Initial Investment	\$250,000

For Partnership accounts, offered only to qualified investors, a general description of the Partnership account minimums are described in Item 4: Advisory Business, V. Other Services – Hedge Fund.

Item 8: Method of Analysis, Investment Strategies and Risk of Loss

Method of Analysis - Overview

Our research is done internally following a bottom-up value based strategy. Analysts focus on company filings, conference calls, discussions with management and other sources when generating company reports. We emphasize use of primary research over sell-side materials. SEC filings are critical to understanding a business's history and stability, as well as the primary drivers for the business. The core concept is to value a business in its entirety, as if we were buying the stock in a private market transaction. We discount free cash flows using normalized assumptions (as opposed to cash flows at the peak or trough of the business cycle). We use discount rates between 10% and 15% (depending upon a business's cyclicity). Finally, we use realistic growth rate assumptions, which tend to be between 3% and 5%. Management contact (typically via phone) can be important to better clarify accounting questions or to understand the challenges/opportunities facing the target business in question. Once we have valued the entire business, we can determine whether the stock price is at a discount (below) or premium (above) to our intrinsic valuation.

Ideas are shared across the firm and between portfolios. The research team is comprised of portfolio managers and research analysts who search for and evaluate ideas. Ultimately, the lead portfolio manager of the investment strategy has final say and responsibility for which securities are bought and sold. Our investment team meets on a weekly basis. However, all analysts and portfolio managers work in close proximity to one another; ideas are shared throughout the course of each business day.

Method of Analysis - Equity

We start with our investable universe of securities from \$200 million to roughly \$5 billion in market cap for the Small Cap Portfolio and no upper limit on capitalization for the other equity portfolios. These include domestic and foreign securities, although the portfolio predominantly includes U.S. companies. We generally eliminate companies which do not meet our criteria. For example, they must be profitable, generate positive free cash flows, and have reasonable financial leverage. Oftentimes when we are screening, we use firm valuation metrics (i.e. Enterprise Value) to account for use of leverage. In addition to screening based on valuation (e.g. EV/EBIT or free cash flow yield), we also screen for companies trading near their 52 week low price levels that may be out of favor or otherwise mispriced by the market. Another important source of ideas comes from the body of knowledge built by the research staff over the years. Some high quality businesses have been followed continuously but may not be owned at a particular time. When the prices of such stocks decline to a level that affords us an adequate margin of safety, we stand prepared to invest. Ideas are also sourced from our credit team as they evaluate modestly leveraged high yield companies. When we believe there is a clear path to debt reduction, we may buy these securities for our equity portfolios.

Once a portfolio candidate is found, we thoroughly review the company's business strategy, financials, competitors, and outlook. If the candidate passes our initial due diligence, we may ask questions to management or others in the industry to firm our understanding of the business. The final step in our process is to discount the candidate's future free cash flows to determine our intrinsic value. This value is then adjusted to reflect excess working capital, hidden assets, hidden liabilities and debt. If the market value is at least 20% below our calculated intrinsic value, the candidate is placed on our potential buy list. While the existence of a catalyst may be desirable, we do not require a catalyst before investing in a security. Although discounting free cash flows is our primary valuation methodology, we also calculate asset valuations when appropriate. Determining the potential takeover price for a business allows us to understand potential upside, but it is not our main technique.

We are very valuation sensitive. We will not generally acquire a company unless we can buy it at a 20% discount to its intrinsic value. Positions are generally sold when they cross our intrinsic value estimate. Our sell discipline is typically driven by the occurrence of three potential events:

- Valuation target achieved
- Degradation of fundamentals
- Misleading statements/information from management

Turnover is not a consideration in our sell discipline.

Method of Analysis - Fixed Income

We start with the two thousand plus issuers in the High Yield Master II Index, plus smaller issues not included in the index, as well as investment-grade and convertible bonds. We utilize Bloomberg terminals to screen based on simple, broad criteria, specifically:

- Yield-to-Maturity
- Spread
- Maturity
- Leverage – Debt / TTM EBITDA
- Interest Coverage – TTM EBIT / interest expense

We apply similar metrics to the entire index to identify suitable candidates. Additionally, we use our equity research to expand our potential buy list. After the broad screening, we quickly scan each bond's financial statements to further narrow down the field. We do not use sophisticated screening methods specifically because we do not want to overlook potentially attractive investments.

The initial screen usually yields several hundred securities to be evaluated further. We use quantitative and qualitative methods to eliminate companies that do not meet our

criteria. For example, the companies must generate free cash flows and have stable balance sheets. Oftentimes, we use firm valuation metrics (*i.e.*, Enterprise Value) when screening to account for use of leverage. Certain potential candidates may arise from the use of screens. A second and equally important source of ideas comes from the body of knowledge built by the research staff. In other words, some businesses have been followed for years but may not be owned at a particular time. Depending upon price, these may be suitable candidates as well.

The portfolio managers carefully select securities that, after passing most or all primary criteria, have an attractive yield relative to the risk taken. Risk is measured in both a quantitative and qualitative manner. The portfolio managers tend to keep the duration short, with the average duration usually shorter than 5 years. The short duration helps reduce interest rate risk so that the focus can be on the credit research. The decision on the adequacy of the yield is also based on both quantitative and qualitative properties of the bond in consideration. The option-adjusted spread of the bond over the comparable treasury is an important quantitative measure in the yield received. Lastly, the impact the bond has on the overall portfolio is measured with different effects desired depending on the environment.

Investment Strategies

Our strategies are long-term only and have not generally used leverage or derivatives. However, we are considering utilizing forward contracts to hedge our foreign currency risk. Currently, foreign securities comprise less than 10% of portfolio assets. In the past, implementing our investment strategies have involved:

- Long term purchases (securities held at least a year)
- Short term purchases (securities sold within a year)
- Trading (securities sold within 30 days)
- Short sales
- Margin transactions
- Option writing, including covered options, uncovered options or spreading strategies.

Risk

We try to control risk by ensuring that we understand a business's operating characteristics, cash flows, and balance sheet, and then waiting to buy shares until we believe there is at least a 20% discount to our fair value estimate. We tend to own businesses with more stable end markets than average and without highly leveraged balance sheets. These can usually be valued with a higher degree of confidence. This

risk control process helps us participate in rising markets and protect capital in declining markets.

Our investment team prefers to be fully invested when we are able to identify suitable candidates that meet our valuation criteria. If we are unable to find undervalued stocks, we will hold cash and this cash may comprise a significant percentage of the portfolio. This is a fundamental aspect of our process. In bull markets, many of our portfolio holdings reach valuation, and they are then sold. This generates cash to take advantage of opportunities in adverse market environments that often follow. Cash is strictly a function of the available discounts we find.

We assess the internal operating and financial risk of each holding, and this is reflected in our valuations. Portfolio risk is often measured by outsiders using standard deviation.

Item 9: Disciplinary Information

There have been no disciplinary actions against us or any of our principals or employees within the last ten years by:

- Any domestic, foreign or military court,
- The SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority, or
- Any self-regulatory organization (SRO).

Item 10: Other Financial Industry Activities and Affiliations

We are the investment adviser to ICFT, a series of non-diversified, open-end mutual funds. We typically offer these investment options to clients and prospects whose account objective is aligned with a fund's investment objective and whose investment activity would be better served in a mutual fund investment as opposed to a managed account. We spend more than 50% of our time offering this investment option.

We are also the General Partner of the Partnership, which is offered as an investment option for qualified investors. We make all day-to-day investment decisions and will dedicate a portion of our time to the management of the Partnership's investments. We typically purchase and sell equity securities and corporate debt, though there is no material limitation on the particular securities or other investments which the Partnership may acquire, with the goal of maintaining capital preservation and generating long-term capital appreciation. We spend more than 20% of our time offering and managing this investment option.

Mark Travis, our President and CEO, also serves on the Board of Directors for Intrepid Capital Management plc, an investment adviser registered with the Central Bank of Ireland. Intrepid Capital Management, Inc. and Mark Travis in Trust for Intrepid Capital Management, Inc. each hold a 50% ownership interest in Intrepid Capital Management plc as of December 31, 2012. This dual relationship does not create any material conflict of interest with our clients.

We receive compensation from both the ICFT, based upon assets under management, and from the Partnership, based upon assets under management and the performance of the investments. Because we are compensated by both the ICFT and Partnership, we have a conflict of interest in recommending an investment in one over the other to our clients. However, we believe that we have mitigated this conflict of interest by ensuring that our clients' assets that are invested, upon our recommendation in the ICFT or the Partnership are invested according to each of our client's needs, are suitable for their investment objectives, and not based on the fees charged by us in either investment choice.

We also offer comprehensive financial analysis and planning services to investment advisory clients, but this service makes up less than 1% of our business.

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

We have adopted a Code of Ethics and Professional Standards (“Code of Ethics”) designed to avoid prohibited acts and eliminate potential conflicts of interest. The Code of Ethics works in conjunction with our written Statement of Policy and Procedures (“Statement of Policy”) and is designed to detect and prevent insider trading and to govern personal securities trading. Such issues addressed by either document include, among other things, forbidding any of our employees from trading, either personally or on behalf of others (such as a hedge fund and private accounts managed by us), on material non-public information and from communicating material non-public information to others in violation of any governing law.

The Advisor or our employees may buy or sell, for our corporate or personal accounts, investment products that are recommended to clients. Records will be maintained of all securities bought or sold by us or our employees, and such records will be available for inspection upon written request. We require all new employees disclose all of their, their spouse’s, and any beneficial ownership accounts that they have, as well as, the holdings in these accounts. All employees are required to provide monthly or quarterly holdings reports, depending on the type of account, to the Advisor’s Chief Compliance Officer (“CCO”). These reports are reviewed for compliance purposes. All employees’ security trades need to be pre-cleared by the CCO, or his appointed representative, prior to the employee purchasing or selling a specific security. A review is performed, at least annually, to ensure the accuracy of the records.

Our Statement of Policy, in conjunction with our Code of Ethics, sets forth our policy that clients’ interests are always placed ahead of any corporate or personal interest. Our policies require our employees to do their purchasing and selling after transactions have been completed for all client accounts and include the procedures that require all employees to pre-clear their personal securities transactions. We believe that the Code of Ethics and Statement of Policy are designed to detect and prevent insider trading, to govern personal securities trading, and are appropriate to prevent or eliminate potential conflicts of interest situations between the Advisor, our employees, and our clients. However, clients should be aware that no set of rules can possibly anticipate or relieve all potential conflicts.

A copy of our Code of Ethics is available to our clients upon a written request.

Item 12: Brokerage Practices

Our clients in a SMA are required to provide written discretionary authority to us to select and execute transactions on their behalf. Clients may direct us to enter orders for their account with certain broker-dealers. However, such a client is advised that their account may not receive as favorable a price on a transaction as it would if we had discretion to choose the broker-dealer to effect the transaction. For those clients' accounts where we have discretion to choose the broker-dealer to effect the transaction on the account, the broker-dealers are chosen to achieve the best overall services for the clients' accounts.

Generally, transaction fees are negotiated. Consistent with our policy to obtain best execution, transactions are placed with broker-dealers after giving consideration to the following:

- The past experience/proven ability of broker to perform;
- Difficulty of execution for stock or bond in question (liquidity, volatility, broker speed and communication feedback);
- Ability to allocate block trades for multiple accounts at average pricing;
- Availability of soft dollar or other research incentives;
- Ability to handle/provide size execution;
- Ability to service special account needs (certification/transfers etc.); and
- Purely price of commission alone.

The Advisor uses block trading and aggregation of orders for its clients. When decisions are made to purchase or sell securities for a number of clients, simultaneously, the transactions are generally averaged as to price and are allocated as to amount in accordance with the daily purchase or sell orders actually executed for each client. The allocation of block trades to several accounts occurs by weighing the following factors:

- The liquidity of the issue in question and broker ability to execute without negatively effecting price and speed of response;
- The availability or need for cash in a given account;
- The relative size or position of the issue in question relative to other accounts;
- The size of orders to be executed through the same broker; and
- After considering the above factors trades will typically be executed broker by broker to avoid the adverse effect on price of multiple interests.

All trades are allocated and transmitted to brokers by the end of the trading day. In the event of a partial fill, shares will be allocated pro-rata based on original total order quantity, unless it proves cost-prohibitive for some accounts to receive their pro-rata portion, in which case shares will be filled randomly. The firm uses Advent's Moxy to determine order quantities and calculate pro-rata and random allocations when necessary. Exact pro-rata allocations may not be achieved due to rounding of quantities to achieve round lot positions in client accounts. In instances where accounts are required or

deemed cost-effective to trade at different brokers, accounts are likely to receive different execution prices. But, generally, all accounts traded at a specific broker-dealer will receive the same average price.

Pursuant to Section 28(e) of the Securities Exchange Act of 1934, we have soft dollar arrangements whereby we have the discretionary authority to select broker-dealers who may charge commissions in excess of the lowest available commissions, in recognition of the value of products or services provided by the broker-dealer to us. The products or services arranged or provided by the broker-dealer may be used in servicing all of our clients, but may or may not be used in connection with accounts that have paid commissions to the broker-dealer providing the service. Research products and services may include access to proprietary research systems, access to third party providers of pricing and performance information, and discounts on software applications. Additional services may include group discounts on computer hardware and other business related expenditures. These arrangements will only affect the clients we have brokerage discretion, and where we have determined on good faith that such commissions are reasonable in relation to the value of the research and execution of products/services received from the broker-dealer.

One of our principals will periodically review to evaluate the research and execution products/services we receive under the arrangements. Such research includes information in the form of written and oral reports, reports accessed by computers and terminals, statistical collations, appraisals and analyses relating to markets, companies, industries and economic factors. The execution products received are designed to assist us in facilitating timely trade executions and support our ability in trying to obtain best price execution for the client trades.

Item 13: Review of Accounts

Accounts for clients with a SMA, will be reviewed monthly, quarterly, and annually as well as daily in periods of rapidly changing markets. Reviewers include technical analysts, corporate officers, and administrative and trading personnel. We will review time weighted rates of return for various periods as well as investment alternatives. Clients with a SMA will receive monthly statements from their custodian. Most custodians also offer online access to the account. Clients will also receive quarterly reports from the Advisor, and in addition, have the ability to request an ad-hoc report or retrieve reports electronically.

Investments held in the ICFT are reviewed daily. Clients with investments in the mutual funds of the ICFT will receive quarterly statements from the custodian, unless they have chosen to receive electronic communications. Online access to their accounts is also available.

Investments in the Partnership are reviewed daily and the Partnership's performance is reviewed monthly. Limited partners in the Partnership will receive a quarterly statement provided by the Advisor and a copy of the Partnership's annual financial statements with an accompanying independent auditors' report.

Item 14: Client Referrals and Other Compensation

From time to time we compensate others for referring advisory clients to us. Referral fees are based on a percentage of the annual management fees that we earn on referred accounts and represent no additional expense to such accounts. Persons who refer clients to us are required to provide the written disclosure to persons referred in compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940.

Item 15: Custody

The Advisor does not maintain physical custody of client assets.

Clients in a SMA will receive statements from us. They should carefully compare the statements they receive from the custodian of their account with the statements they receive from us.

Clients in the mutual funds of the ICFT will receive statements from the custodian where the account is being held. Clients should carefully review the statements they receive.

The Partnership is a private investment fund, and as the General Partner, the Advisor is deemed to have custody of the assets even though the assets are held by an unaffiliated, third-party custodian. Limited partners in the Partnership will receive a quarterly statement provided by the Advisor and a copy of the Partnership's annual financial statements with an accompanying independent auditors' report. Clients should carefully review their statements and the Partnership's annual financial statements.

Item 16: Investment Discretion

Clients with a SMA shall be required to provide written discretionary authority to the Firm to select and execute transactions on their behalf. Clients may direct the Firm to enter orders for their account with certain broker-dealers. The Company assumes discretionary authority after the following procedures have taken place.

- The Company's discretionary investment advisory agreement has been completed and signed by the client.
- The custodian's account application is completed and signed by the client indicating that we have investment authority and trading discretion on the account.
- A copy of the Company's most recent ADV is delivered to the client.

Item 17: Voting Client Securities

We may vote proxies for client accounts under our management when both our client and us agree to it and the client expressly gives us responsibility to do so. Generally, the fiduciary duties of the Company require it, when authorized to vote proxies for its clients, including any mutual fund clients, to make voting decisions consistent with the “economic best interests” of its clients and to review each proxy on a case by case basis with final decisions based on the merits.

The guidelines for voting client securities in accordance with the standards outlined above.

- The Company has both the responsibility and authority to vote proxies with respect to the securities in all accounts under its management, but only where expressly given and mutually agreed upon.
- For accounts where voting authority expressly is given and mutually agreed upon, it is the responsibility of the client to have all proxy material sent to the Company.
- The Company officers will review any unusual or controversial issues with the final decision on such issues being made by the Company’s chief executive officer.
- The Company will maintain and monitor a record of all votes on proxy matters.

In the rare circumstances that the Company would vote against management’s recommendations, a detailed explanation as to the reason for divergence from the recommendation would be put into writing and maintained in the client file.

With respect to routine matters, the Company will tend to vote with management on most routine issues, although it reserves the right to vote otherwise.

In regard to social, environmental, or political proposals, the economic interest of the client is the foremost consideration in the evaluation of these proposals. The Company will tend to vote with management on most of the issues.

With respect to shareholder sovereignty, the Company will tend to vote against any proposal that limits shareholder influence on management or adversely affects the potential value received shareholders.

There may be instances where the interests of the Company may conflict or appear to conflict with the interests of its clients. In such situations, the Company will, consistent with its duty of care and duty of loyalty, vote the securities in accordance with its pre-determined voting policy but only after the disclosing the conflict to clients and affording the clients the opportunity to direct the Company in the voting of such securities.

Clients with an SMA may elect to vote all proxies themselves. Clients with an investment in the ICFT or Partnership will have proxies voted by us, as described above. ICFT clients may obtain information on how we voted proxies by referring to our N-PX

filing on the SEC's web site (www.sec.gov), or by calling 1-866-996-3863. SMA and Partnership clients may obtain information on how we voted proxies by calling (904) 246-3433. A copy of our proxy voting policies may also be obtained by calling (904) 246-3433.

Item 18: Financial Information

The Partnership is a private investment fund, and as the General Partner, we are deemed to have custody of the assets even though the assets are held by an unaffiliated, third-party custodian. The General Partner is contingently liable for all of the partnership's liabilities.