

**Part 2A of Form ADV**  
**Firm Brochure**  
March 30, 2015

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This brochure provides information about the qualifications and business practices of Cannell Capital LLC (“Cannell Capital” or the “Firm”). If you have any questions about the content of this brochure, please contact us at (307) 733-2284 or [scw@cannellcap.com](mailto:scw@cannellcap.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC does not imply that an investment adviser has a certain level of skill or training.

Additional information about Cannell Capital LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

Since the firm's last brochure, Cannell Capital LLC has changed its Chief Financial Officer. Former Chief Financial Officer S. Genoveva La Placa resigned in March 2015. Her replacement is Stephen C. Wagstaff.

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## Item 4: Advisory Business

Cannell Capital LLC, a Wyoming limited liability company, formerly known as James Carlo Cannell D/B/A Cannell Capital Management (“Cannell Capital” or the “Firm”) is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Cannell Capital was founded in 1996, and is wholly owned by James Carlo Cannell. Mr. Cannell is the sole Managing Member of the Firm.

Cannell Capital provides investment advisory and sub-advisory services on a discretionary basis to pooled investment vehicles that are structured as limited partnerships, limited liability companies or corporations, and which comply with Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, as amended (individually a “Fund”, collectively “Funds”). Cannell Capital also provides investment advisory and sub-advisory services on a discretionary basis to some separately managed accounts.

The Firm manages each Fund in accordance with one or more alternative asset investment strategies described in Item 8 of this brochure. Subject to the investment objectives, restrictions and policies stated in each Fund’s respective offering documents, Cannell Capital is contracted as the investment manager responsible for determining which general investment strategies are to be employed in managing the Fund’s portfolios to achieve each Fund’s respective investment objective. Cannell Capital is responsible for the actual management of each Fund’s portfolios including the selection of portfolio securities.

Generally, a client may not impose restrictions on investing in certain securities or types of securities except as negotiated on a case-by-case basis and reflected in the relevant agreement between Cannell Capital and the relevant client, as well as in the offering documents provided to Fund investors.

Persons reviewing this brochure should not construe it as an offering of any Fund described herein. Fund offerings will only be made pursuant to the delivery to prospective investors of confidential offering documents, which will describe certain risk factors, conflicts of interest, investment objectives and other important information regarding the Fund.

As of December 31, 2014, Cannell Capital managed \$314,582,932 on a discretionary basis. Please note these represent net assets under management and not gross or regulatory assets under management.

## Item 5: Fees and Compensation

In general, for providing investment management services to a Fund, Cannell Capital receives management fees calculated at an annual rate of 0.75% to 1.5% of the Fund's net asset value. The management fee will be directly debited from the Fund's account. Fund Investors will bear the management fee in proportion to their interest in the Fund. The management fee is paid in monthly installments, in arrears, on the first business day of each month, and will be calculated based on the Fund's net asset value as the close of the last business day of the immediately preceding month (after taking into account any redemptions on that day). The offering documents of each Fund will provide additional details regarding the Fund's management fee. Under certain circumstances, Cannell Capital's fees may be negotiable. Additionally, fees that would typically be charged to a client may be waived in whole or in part in the Firm's sole discretion.

Separate accounts managed by Cannell Capital may pay a management fees or a performance fee; any such fees are detailed in the investment management agreement negotiated between Cannell Capital and the client.

Client accounts initiated or terminated during a month will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded to the client, and any earned, unpaid fees will be promptly due and payable to Cannell Capital.

### Additional Fees and Expenses

In addition to the investment management fees charged by Cannell Capital, clients will incur brokerage commissions, transaction fees, and other costs and expenses related to the investment activities of their account. For instance, clients may incur charges imposed by custodians, brokers, and other third parties, including custodial fees, wire transfer and electronic fund fees, transfer taxes and other fees, expenses and taxes. More detailed information about the types of fees and/or expenses that a particular client may pay in connection with the advisory services that Cannell Capital provides is contained in the relevant agreement between Cannell Capital and the relevant client, as well as in the offering documents provided to Fund investors. Please see Item 6 for additional information regarding the Firm's fees. In addition, please see Item 12 for a further discussion of the brokerage and other transaction costs that clients pay. Lower fees for comparable services may be available from other firms.

## Item 6: Performance-Based Fees and Side-by-Side Management

In general, Cannell Capital clients pay both a management fee as described in Item 5 and a performance-based fee, which ranges from 12% to 25% of the net capital appreciation of each client's account at the end of the relevant fiscal period, or upon realization, and in certain cases subject to, or only in excess of, specified performance thresholds. Cannell Capital, in its sole discretion, may waive or reduce performance-based fees charged to clients.

Managing assets for different clients with different fee structures, including ones that may allow for the possibility of earning performance-based fees at the same time as others that do not, can create a conflict of interest for Cannell Capital because such an arrangement creates an incentive to favor accounts for which the Firm has the ability to earn higher performance-based fees. Such situations give rise to potential conflicts of interest including: (1) the allocation of investment opportunities, and (2) transactions among clients (*i.e.*, cross trades). As a result, Cannell Capital employs policies and procedures governing the identification, assessment and monitoring of conflicts of interest and potential conflicts of interest. Additional information regarding the allocation of investment opportunities and the manner in which the Firm manages any related potential conflicts of interest is set forth in Items 11 and 12 of this brochure.

Similar to management fees, performance-based fees may be directly debited from a client's account.

## Item 7: Type of Clients

Cannell Capital offers its services primarily to Funds as described in Item 4. The offering documents for each Fund set minimum amounts for investment by prospective investors. Fund investors generally must meet the definitions of “accredited investor” under the Securities Act of 1933, as amended, and “qualified client” in Rule 205-3 of the Investment Advisers Act of 1940, as amended. The Firm requires Fund investors to make representations concerning their sophistication as investors and their ability to bear the risks of loss of their entire investment. The Firm reserves the right to modify or waive minimum investment commitments required to invest in a Fund.

Cannell Capital also manages a limited number of separate accounts for clients. The terms of such separate account management are typically laid out in an Investment Management Agreement between Cannell Capital and each individual client.

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

### Methods of Analysis and Investment Strategies

Cannell Capital is an active investor employing fundamental, bottom-up research in order to make investment decisions. In general, the Firm employs a strategy focused on investing in long/short equity of publicly traded, generally small capitalization companies, primarily in North America. Investment idea generation may be qualitative and/or quantitative in nature. Qualitative methods entail conducting primary research, including, but not limited to, frequent discussions with company management and members of boards of directors. Quantitative methods of analysis include, but are not limited to, a systematic and tactical process in which Cannell Capital periodically views 30-40 proprietary screens each week in search of developing trends in company fundamentals. Idea qualification includes rudimentary risk/return analysis, research time estimation and draft of a preliminary investment thesis, as well as identification of an element of positive or negative change in the company (new management, changing market, etc.) that suggests a change in future earnings. This investment thesis is assessed and monitored by reviewing recent results, financial trends, discussions with industry contacts and other appropriate analysis. Positions are entered and exited in accordance with a methodology that monitors and manages position size, price targets and risk levels.

### Risk of Loss

All investments involve the risk of loss of capital; the investment strategies employed by Cannell Capital are no exception. The nature of the investment instruments that certain of Cannell Capital's clients may utilize and the strategies such clients employ may only amplify this risk. Such risks may include, without limitation:

- dependence on key individuals, including Mr. Cannell
- risks related to broad investment mandates
- risks related to electronic exchange failure and the inability to trade
- limited diversification
- risks of country-specific or region-specific investing
- general economic, political and capital market conditions
- risk of a protracted economic slowdown or recession
- risks inherent to a global investment portfolio, including political, social and economic uncertainty
- operating in a difficult and unpredictable credit environment
- investing in companies that could face intense competition
- changing business and economic conditions that could adversely impact investment performance
- changes in the quality, pricing and availability of suitable investments
- risks related to highly volatile investments



- risks related to illiquid investments or decreased liquidity of investments
- risks of investing in undervalued and difficult to value investments
- risks related to interest rates and credit spreads
- credit risk
- prepayment risk
- currency risk
- risks related to borrower fraud
- risks related to subordinated debt investments
- risks related to structured finance investments
- risks related to derivative investments
- counterparty risk
- custodial risk
- risks related to short selling
- risks related to hedging transactions
- increased governmental and regulatory intervention and restrictions that could adversely impact investments
- risks related to the use of leverage
- changes in the availability of debt financing or financing at attractive prices
- risk related to real estate investing (including, among other things, risks associated with the general economic climate, local real estate conditions, risks due to dependence on cash flow, risk and operating problems arising out of the absence of certain construction materials, changes in supply of, or demand for, competing properties in an area, the financial condition of tenants, buyers and sellers of properties, energy and supply shortages and fluctuations in energy prices, changes in tax, real estate, environmental and zoning laws and regulations, various uninsured and uninsurable risks, the ability of third-parties to manage real property, and natural disasters)
- increase in default rates on commercial and residential mortgages
- risks inherent in investing in portfolio funds (including, without limitation, limited operating histories of portfolio funds, limited disclosure of proprietary investment strategies of the portfolio funds, independence of investment decisions by the managers of portfolio funds that can result in economically offsetting positions or large exposures in certain positions, limitations on the information received from portfolio fund managers and inability to independently verify such information, reliance on valuations provided by portfolio fund managers, and the risk that the third-party manager may engage in negligent, grossly negligent or fraudulent conduct in connection with managing a given portfolio fund)

Cannell Capital may also engage in frequent trading activity on behalf of clients. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

A complete description of the risks associated with each particular investment strategy is included in the offering documents of each Fund, where applicable, copies of which are provided to prospective investors and should be carefully reviewed prior to investing.

Cannell Capital does not recommend a particular type of investment instrument (*e.g.*, equity securities) to its clients, but rather, recommends and invests in multiple investment instruments to correspond with the particular investment strategy that a given client employs.

In the course of providing investment advice to its various clients, Cannell Capital may utilize a wide variety of investment instruments (depending on the nature of the client involved), including but not limited to: equity securities; warrants; corporate debt securities; commercial paper; certificates of deposit; municipal securities; investment company securities; U.S. government securities; option contracts on securities and commodities; futures contracts; equity indices; equity index futures; unregistered, illiquid or unlisted equity or debt securities; any of the foregoing or other securities issued by sovereign, foreign or private issuers; notes, debentures, repurchase and reverse repurchase agreements, loans, participation, financial investments, investment contracts and certificates of interest; swaps; foreign exchange commitments; commodity forwards; currencies; bank loans; trust preferred securities; trade claims and privately and publicly issued securities of companies that have defaulted on obligations, filed for reorganization or that appear vulnerable to bankruptcy or reorganization; real estate-related assets such as mortgage loans, real estate-related financings, mortgage-backed securities, asset-backed securities, real property, residual interests in trusts or other entities formed as special purpose vehicles; equity interests in corporations, limited partnerships, limited liability companies (or other investment vehicles, including partnerships) that own real estate-related or other tangible or intangible assets (including oil and gas interests); various receivables; instruments that derive their value from any of the foregoing and other types of securities or assets.

Cannell Capital may, from time to time, purchase equity or debt securities in initial or secondary public offerings on behalf of clients when such securities become available and are otherwise consistent with the investment objectives of the relevant client.

All of these investment types are highly speculative in nature, and there can be no assurance that the client's investment objectives will be achieved. Cannell Capital clients (and, in turn, the underlying investors in such clients) must be prepared to bear the risk of a total loss of their investment.

More detailed information about the types of investments that Cannell Capital may make on behalf of clients, and the corresponding risks, is provided in the offering documents provided to investors of each Fund, as applicable.

## Item 9: Disciplinary Information

On or about April 6, 2006, a complaint was filed in the United States District Court for the Southern District of New York by Analytical Surveys, Inc. (“ASI”) against Tonga Partners, LP (“Tonga”), Cannell Capital and Mr. Cannell (collectively, “Defendants”) to recover alleged short-swing profits under Section 16(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The lawsuit, styled Analytical Surveys, Inc. v. Tonga Partners, L.P., et al.; Civil Action No. 06-cv-2692 (KMW) (RLE), alleged that Defendants earned in excess of \$5.5 million in short-swing profits and sought to compel disgorgement of such profits pursuant to Section 16(b). The parties cross-moved for summary judgment. On September 26, 2008, the Court issued an Opinion and Order finding Tonga liable for \$4,965,898.95 in short-swing profits and holding that several issues of fact necessitated a trial with respect to the calculation of the pecuniary interest of Cannell Capital and Mr. Cannell in Tonga's short-swing profits. On November 19, 2008, the Court endorsed a Stipulation entered into by the parties that resolved these issues of fact. On January 27, 2009, the Court entered an Amended Judgment (the “Judgment”) against Defendants finding that (i) Tonga was liable to ASI for \$4,965,898.95 in short-swing profits; (ii) Cannell Capital's pecuniary interest in Tonga's short-swing profits was equal to \$553,896.37; and (iii) Mr. Cannell's pecuniary interest in Tonga's short-swing profits was equal to \$553,342.47. On December 3, 2008, Defendants filed a Motion for Reconsideration pursuant to Federal Rule of Civil Procedure 59(e) and Local Civil Rule 6.3, arguing that the Judgment against Defendants should be reversed under new controlling law decided by the Court of Appeals for the Second Circuit which exempts the transactions at issue in the case from Section 16(b). On May 29, 2009, the Court denied Defendants' Motion for Reconsideration. Defendants appealed the denial of that motion, as well as the Court's denial of Defendants' motion for summary judgment. The appeal was briefed and argued in January of 2010. This appeal was rejected in June of 2012.

Defendants subsequently petitioned for an en banc review of this rejection by the Second Circuit. This petition for review was denied in September of 2012. On December 20, 2012 Defendants filed a petition for a writ of certiorari for the case with the Supreme Court of the United States. The Supreme Court denied this writ on April 15, 2013. This effectively ended the ASI litigation. Cannell Capital indemnified Tonga and Mr. J. Carlo Cannell in the ASI litigation, paying the entire settlement itself. The final settlement was transferred to ASI in May of 2013.

In April of 2013, Defendants filed a suit against Lowenstein Sandler LLP alleging that the law firm committed malpractice while representing Defendants in the ASI matter. This case is currently scheduled for binding arbitration beginning in August of 2015. Cannell Capital is covering all legal costs associated with this malpractice lawsuit.

## Item 10: Other Financial Industry Activities and Affiliations

Neither Cannell Capital nor any of its management persons are registered or have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, or is a registered representative of any of the foregoing.

Cannell Capital is affiliated with Pampanito Corporation, a California corporation, formerly known as Cannell Capital Corporation (“Pampanito”), which is wholly owned by Mr. Cannell. Pursuant to a research and operations consulting agreement between the Firm and Pampanito, Pampanito provides investment research, accounting, operational and recordkeeping services to Cannell Capital, as well as shares personnel and resources with the Firm.

Cannell Capital has generally delegated discretionary trading authority to Pampanito with respect to client transactions, including the authority to determine the broker or dealer to be used for a purchase or sale of securities on behalf of a client and the commission rates to be paid to a broker or dealer on behalf of a client. Pampanito does not have any investment discretion authority with respect to client accounts.

Because Pampanito and Cannell Capital are under common control, wholly owned by Mr. Cannell, and are subject to a joint Code of Ethics, as well as share certain other compliance policies and procedures, the Firm does not believe that its relationship with Pampanito creates a material conflict of interest for Firm clients.

Cannell Capital and Pampanito’s joint Code of Ethics is described in Item 11. Both firms’ brokerage practices are described in Item 12.

Cannell Capital acts as investment manager, investment adviser or sub-adviser for the following Funds:

- Tonga Partners, LP
- Tonga Partners QP, LP
- Tristan Partners, LP
- Nashuk Partners, LP
- Tristan Offshore Fund, LTD
- Cuttyhunk Master Portfolio

Cannell Capital also acts as investment adviser to a number of separately-managed account clients.

Conflicts may arise as to the allocation of investment opportunities among Cannell Capital clients. Cannell Capital has adopted policies and procedures as described in Items 11 and 12 designed to make sure that all clients are treated fairly and that no client account receives preferential treatment in the allocation of investment opportunities.

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

Principals and employees of Cannell Capital and Pampanito Corporation may personally invest in the same securities that are recommended to, or purchased for, clients, including limited partnership or membership interests of private funds managed by the Firm. They may also buy or sell for their own account a specific security, which the Firm determines is not an appropriate investment for a client based on the client's investment objectives and/or client investment restrictions.

Cannell Capital and its affiliate (as described in Item 10) have adopted a written Code of Ethics designed to address and avoid potential conflicts of interest in compliance with Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act").

The Code of Ethics requires, among other things, that the Firm and persons covered by the Code:

- engage in and promote honest and ethical conduct;
- protect the confidentiality of non-public information;
- place the interests of Firm clients first;
- avoid taking inappropriate advantage of their position;
- conduct all personal securities transactions in full compliance with the Code of Ethics including both pre-clearance and reporting requirements; and
- comply with applicable federal securities laws.

The Code of Ethics restricts the Firm and persons covered by the Code from:

- using for their own benefit (or the benefit of anyone other than a client) information about the Firm's trading or investment recommendations for a client; or
- taking advantage of investment opportunities that would otherwise be available for a client.

A copy of the Firm's Code of Ethics will be provided to any client or prospective client upon request.

## Item 12: Brokerage Practices

Cannell Capital's brokerage practices described in this Item 12 refer to the brokerage practices of Cannell Capital and Pampanito, as applicable. These practices are summarized below.

### Factors Used to Select Broker-Dealers for Client Transactions

Broker-Dealers (or simply "brokers" hereafter) are selected by Cannell Capital based upon their experience and abilities. Transaction fees are paid based on industry standards and execution of the transaction.

Cannell Capital enjoys discretion over the selection of the broker to be used and the commission rates to be paid. In selecting a broker for any transaction or series of transactions, the Firm considers a number of factors, which may include, among others, the following:

- Quality of execution - accurate and timely execution, the ability to find a counterparty to a trade, clearance and fair error/dispute resolution;
- Reputation, financial strength, integrity and stability;
- Block trading and block positioning capabilities;
- Willingness to execute difficult transactions;
- Willingness and ability to commit capital;
- Access to underwritten offerings and secondary markets;
- Ongoing reliability;
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of the Firm's knowledge of negotiated commission rates currently available and other current transaction costs;
- Nature of the security and the available market makers;
- Desired timing of the transaction and size of trade;
- Confidentiality of trading activity;
- Market intelligence regarding trading activity;
- The value of research provided;
- Overall benefit to client accounts of the amount of business directed to a particular broker;
- The perceived financial stability of the broker and/or their status as the subject of a regulatory or criminal enforcement;

- Gross compensation paid to a broker in light of compensation paid to all brokers as a group and;
- The receipt of prime brokerage and related services, including capital introduction and introductions to management and research and industry information.

The Firm monitors transaction results to evaluate the quality of execution provided by the various brokers it uses to determine that compensation rates are competitive and otherwise to evaluate the reasonableness of the compensation paid to those brokers and dealers in light of all the factors described above.

## **Aggregating Transactions for Funds Accounts**

Consistent with its fiduciary responsibilities, Cannell Capital seeks to ensure that clients receive best execution with respect to their transactions by blocking client trades to reduce transactions costs. Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched), subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will generally receive a *pro rata* allocation at the average price of execution and, subject to minimum ticket charges and possible step outs, pay a *pro rata* portion of commissions. Where certain clients may encounter unduly high average fees per share due to ticket charges or other exigencies, Cannell Capital may break from such a *pro rata* allocation of shares executed.

To minimize performance dispersion, “strategy” trades are generally aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account even if Cannell Capital believes that a larger size block trade would lead to best overall price for the security being transacted.

## **Trade Allocation**

All trades are executed with the desired allocation among clients having been recorded. In the event an order is “partially filled,” the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client’s allocation, clients’ liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is “over-filled.”

Cannell Capital acts in accordance with its duty to seek best price and execution and will not continue any arrangements if it determines that such arrangements are no longer in the best interest of its clients.



## Research and Other Soft Dollar Benefits

Cannell Capital may also purchase from a broker or allow a broker to pay for certain “research products and services” (as defined below). Subject to compliance with its agreements with clients (including the partnership or operating agreements with private investment fund clients), Cannell Capital only participates in soft dollar arrangements that satisfy the conditions of Section 28(e) of the Securities Exchange Act of 1934, as amended (“Section 28(e)"). Where a particular service or product provides benefits to private investment funds, other clients and/or Cannell Capital, Cannell Capital may allocate the cost among the various persons who receive benefits.

Cannell Capital may pay a brokerage commission (as defined under Section 28(e)) in excess of that which another broker/dealer might charge for effecting the same transaction in recognition of the value of the brokerage, research and other services and soft dollar relationships. In such a case, however, Cannell Capital generally determines, considering all appropriate factors (including those described herein), that the commissions paid are reasonable in relation to the value of all the brokerage and research products and services provided by the broker. In making that determination, Cannell Capital may consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services in Cannell Capital’s performance of its overall investment responsibilities to all of its clients. In some cases, the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge. Additionally, in some cases, a client’s transaction may be executed by a broker in recognition of brokerage or research services or products that are not used in managing that client’s account. If any of the products or services to be acquired by Cannell Capital have a mixed research/non-research use, Cannell Capital may make a good faith attempt under all the circumstances to allocate the cost of these products and services between the anticipated uses and pay for the non-research portion out of its own resources and not through use of soft dollars.

Cannell Capital’s relationships with brokerage firms that provide soft dollar services to Cannell Capital may influence Cannell Capital’s judgment in allocating brokerage business. Moreover, this could create a conflict of interest in allocating brokerage business between firms that supply soft dollar services and firms that offer best transactional execution for clients. Notwithstanding the foregoing, the availability of soft dollar services is not generally a significant factor in Cannell Capital’s selection of brokers.

When a broker-dealer provides research or other products or services in expectation of brokerage business, it generally suggests the level of business that it would like to receive as compensation. In making its brokerage selections, Cannell Capital considers those suggestions as part of its evaluation of the factors described above. Actual transactional business received by a particular broker or dealer during any period may be less than the suggested level but may – and Cannell Capital expects that it often will – exceed that level. This may be in part because the total brokerage business generated by clients may exceed the aggregate amounts requested by all brokers and dealers from which Cannell Capital receives services and products, and in part because the brokers and dealers that provide such services



and products may also provide superior execution and may therefore be the most appropriate broker-dealers for particular transactions regardless of whether or not they provided such services or products. In other cases, a broker or dealer may establish “credits” based on brokerage commissions paid in the past, which may be used to pay, or reimburse Cannell Capital, for specified expenses. Brokers and dealers will not be excluded from consideration of receiving brokerage business simply because they have not provided “research” or other services or products, although Cannell Capital may not be willing to pay the same commission to such broker as Cannell Capital might have been willing to pay had the broker provided research products and services.

“Research” products and services provided to Cannell Capital may include the following: research reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; specialized financial publications; portfolio evaluation services; real-time pricing feeds; order management systems, and other products or services that may enhance Cannell Capital’s investment decision making responsibilities and execution abilities.

Soft dollar arrangements may pose conflicts of interest between Cannell Capital and its clients. When the Firm uses client brokerage commissions (markups or markdowns) to obtain research or other products or services, the Firm receives a beneficial product, research, or service that it does not itself have to produce or pay. Accordingly, the Firm may have an incentive to select or recommend a broker or dealer based on its interest in receiving the research or other products or services, rather than on clients’ interest in receiving most favorable execution. The Firm may cause clients to pay commissions (markups or markdowns) higher than those charged by other brokers or dealers in return for soft dollar benefits (known as paying-up).

Cannell Capital may from time to time execute cross-trades between two Funds accounts. In such cases, Cannell Capital will not receive any commission, mark-up or mark-down or other compensation directly or indirectly, other than customary advisory fees, on the trades. Under no circumstances will Cannell Capital engage in principal cross-trades with Fund’s accounts.

Cannell Capital is responsible for the placement of securities transactions for the Funds and the negotiation of any commissions paid on such transactions. Securities normally will be purchased directly from the issuer or from an underwriter or market maker for the securities, or through brokers on securities exchanges. Purchases of securities through brokers involve a commission to the broker. Purchases of securities from dealers serving as market makers include the spread between the bid and the ask price.

Cannell Capital currently uses primary securities dealers as intermediaries for the purchase and sale of certain securities. After a purchase made by a dealer on behalf of the Funds, the securities are held in the custody of the dealer until such time as the purchasing Fund makes full payment for the securities. While the securities are in the custody of the dealer, the purchasing Fund is eligible to the same extent as the dealer’s other customers for insurance coverage against loss in the event of the bankruptcy or liquidation of the dealer. Upon full payment by the purchasing Fund to the dealer, securities held by the dealer are transferred to the custody of a custodian engaged by the Fund.

## **Directed Brokerage**

Cannell Capital does not participate in directed brokerage arrangements.

## Item 13: Review of Accounts

Fund accounts are generally reviewed daily. Factors such as industry concentration, future prospects of each issue, percentage of fund assets invested and cash management are considered. The individual issues held in each portfolio are generally monitored and supervised on a daily basis. Particular attention is given to industry outlook, earnings and share price. Mr. Cannell reviews all portfolios. The Fund administrator provides to investors in private fund clients a monthly statement of each such investor's capital additions to a Fund, withdrawals, transfers, gains/losses, ending equity, and such Fund's net performance (the net performance reflects the simple return for the investor). Investors receive a quarterly letter describing performance for the preceding quarter and a factsheet with statistical analysis. In addition, clients may opt to receive monthly reports upon request. Annually, all investors in the Funds receive a letter stating annual performance and investment outlook and are provided with audited financial statements for the respective funds.

Clients for whom Cannell Capital manages separately managed accounts will generally receive both monthly account statements from the custodian and enjoy daily transparency into their account holdings. Such access will be laid out in the investment management agreement specifying the duties provided by Cannell Capital to the client.

## Item 14: Client Referrals and Other Compensation

Cannell Capital neither accepts compensation from non-clients for providing investment advice to the Funds, nor does it compensate any person for client referrals.

## Item 15: Custody

Cannell Capital does not maintain physical custody of client assets. Independent qualified custodians maintain physical custody of assets in client accounts. As described in Items 5 and 6 of this brochure, Cannell Capital may directly debit management and performance fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from the client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Clients should carefully review the account statements they receive from their custodian, and compare those statements to account information provided by the Firm. Clients should contact the Firm and their custodian directly if they believe that there may be an error in any statement provided by the Firm or their custodian.

Cannell Capital ensures that annual audits are performed for all funds where the firm maintains qualified custody of client assets. These audits are carried out by the independent auditing firm KPMG LLC, a firm subject to regular inspection by the Public Company Accounting Oversight Board.

## Item 16: Investment Discretion

Subject to limitations in the various agreements Cannell Capital has with particular clients, Cannell Capital has full discretion and authority to make all investment decisions with respect to the types or amounts of securities to be bought or sold for its clients, broker-dealers to be used and the commission rates paid. Cannell Capital may buy and sell securities directly from or to dealers acting on a principal or agreed basis at prices that may include commissions, markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

The specific contours of Cannell Capital's discretionary authority are set forth in a written agreement between Cannell Capital and each particular fund or client.

## Item 17: Voting Client Securities

Cannell Capital maintains a policy of voting proxies that the Firm believes best serves the interest of its clients. The Firm is primarily concerned with seeking to maximize the value of its clients' investment portfolios. If a client has delegated proxy voting authority to Cannell Capital, the client may not direct the Firm's vote in a particular solicitation, though the client can revoke Cannell Capital's proxy voting authority at any time with respect to all proxies in accordance with the relevant agreement between the Firm and the relevant client.

While Cannell Capital uses its best efforts to vote proxies, in certain circumstances it may be impractical or impossible to do so. Cannell Capital may also be prohibited from voting certain shares or may be required to vote in proportion to other shareholders under applicable U.S. or foreign regulatory requirements or company governance provisions.

Cannell Capital is sensitive to conflicts of interest that may arise in the proxy decision-making process. Cannell Capital has developed proxy policies and procedures to serve the best interests of clients and, accordingly, will generally vote pursuant to those proxy policies and procedures when conflicts of interest arise. When there are proxy voting proposals that give rise to conflicts of interest not addressed by Cannell Capital's proxy voting policies and procedures, Cannell Capital may consult with an independent consultant or outside counsel to resolve material conflicts of interest.

Special considerations are made for stocks traded on foreign exchanges. Specifically, if voting a proxy requires the security to be "blocked" or frozen from trading, Cannell Capital may elect not to exercise its voting rights.

Cannell Capital will neither advise nor act on behalf of a client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct the Firm to transmit copies of class action notices to the client or a third party. Upon such direction, the Firm will make commercially reasonable efforts to forward such notices in a timely manner.

Cannell Capital's proxy voting policies and procedures are available upon request. To obtain a copy of the proxy voting policies and procedures or information on how the Firm voted proxies for securities held in your account (provided that the Firm has proxy voting authority with respect to your account), please e-mail [scw@cannellcap.com](mailto:scw@cannellcap.com) or mail your request to the address shown on the cover page of this brochure. Cannell Capital may also be reached by telephone at (307) 733-2284.

For clients that have not delegated proxy voting responsibility to Cannell Capital, the Firm has no involvement in the voting process. Such clients should contact their custodians about receiving their proxies or other solicitations.

## Item 18: Financial Information

Cannell Capital is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.



# PRIVACY NOTICE

## CANNELL CAPITAL LLC

### PRIVACY NOTICE

Your privacy is very important to us. This Privacy Notice sets forth the policies Cannell Capital LLC (the “Firm”) with respect to non-public personal information of its clients, prospective clients and former clients. These policies apply to individuals only and may be changed at any time, *provided* a notice of such change is given to you.

You provide us with personal information, such as your address, social security number, assets and/or income information.

We do not disclose any of this personal information about our clients, prospective clients or former clients to anyone, other than to our affiliates, and except as permitted by law, such as to our attorneys, auditors, brokers, regulators and certain service providers, in such case, only as necessary to facilitate the acceptance and management of your funds. We will also release information about you if you direct us to do so, if compelled to do so by law, or in connection with any government or self-regulatory organization request or investigation.

We may also disclose information you provide to us to companies that perform marketing services on our behalf. If such a disclosure is made, the Firm will require such third parties to treat your private information with confidentiality.

We seek to carefully safeguard your private information and, to that end, restrict access to non-public personal information about you to those employees and other persons who need to know the information to enable us to provide services to you. We maintain physical, electronic and procedural safeguards to protect your non-public personal information.

*End of ADV Part 2A Brochure*