

Third Avenue Management LLC

**622 Third Avenue
New York, NY 10017**

Telephone: 212-888-5222

Facsimile: 212-888-6757

www.thirdave.com

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FORM ADV PART 2A BROCHURE

This Form ADV Part 2A (the “Brochure”) provides information about the qualifications and business practices of Third Avenue Management LLC (“TAM” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at the telephone number and address above, or at clientservice@thirdave.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Third Avenue Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Although TAM is registered as an investment adviser under the Investment Advisers Act of 1940, such registration does not imply a certain level of skill or training.

Item 2 – Material Changes

This Item requires us to summarize any material changes to our Form ADV Part 2A since our last annual update on March 29, 2019. While we do not believe that the following changes are material, we have nonetheless summarized our changes to the current Form ADV Part 2A below:

Item 4 – Advisory Business: We updated our assets under management to approximately \$2.01 billion as of December 31, 2019.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss: We updated our investment risk disclosures.

We also made other non-material changes throughout this Form.

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Item 4 – Advisory Business

TAM provides investment management services to clients on a discretionary basis. The Firm has been in business since 1986. TAM currently has 21 employees working in the Firm's New York, New York office and one employee working in the Firm's Austin, Texas office. As of December 31, 2019, the Firm had approximately \$2.01 billion in assets under management. TAM provides investment advice to registered investment companies, private funds, offshore funds, individuals, corporations, pension plans, trusts, estates, educational institutions, endowments and foundations.

Principal Ownership

As TAM's institutional partner, Affiliated Managers Group, Inc. ("AMG"), a publicly-traded asset management company (NYSE: AMG) with equity interests in boutique investment management firms, indirectly holds a majority equity interest in TAM. TAM's principals hold the remaining equity interests in the Firm. AMG also holds equity interests in other investment management firms ("AMG Affiliates"). Further information on AMG and the AMG Affiliates is provided in "Item 10 – Other Financial Industry Activities and Affiliations" of this brochure.

Advisory Services

TAM's overall investment strategy typically concentrates on long-term value investing. This value investing strategy seeks to identify securities of well-financed companies (meaning companies with high quality assets and a relative absence of liabilities) selling at a price significantly discounted to TAM's conservative estimate of intrinsic value. TAM may, however, offer other advisory services, engage in other investment strategies and make other types of investments, including any not described in this Brochure, that TAM considers appropriate, subject to each client's agreement with TAM or other agreed-upon restrictions. For one registered Fund that TAM serves as investment advisor, TAM has the authority and utilizes a sub-adviser to manage a portion of the Fund.

All prospective TAM clients are required to provide detailed investment profiles which are used by TAM to conduct a comprehensive suitability review. Many factors are considered in a typical suitability review and they include, but are not limited to, risk tolerance, net worth, investor industry experience, and investor objectives. TAM advisory services are not tailored to individual client needs, therefore, TAM will only accommodate client specific investment restriction requests when TAM believes that they will not unreasonably impede TAM's ability to manage the account consistent with the stated strategy mandate.

TAM serves as investment adviser to a number of funds, and an affiliate of TAM acts as general partner of a private fund for which TAM is the adviser. In such cases, TAM or its affiliate may inquire about a client's interest in investing in such funds, from which TAM and/or its affiliate receive compensation. Since receipt of compensation in connection with such investments poses a conflict of interest for TAM and its affiliate (if applicable), TAM does not ordinarily exercise investment discretion to place any clients into any funds advised by TAM. Where a fund investor becomes a separate account

client of TAM or when a TAM separate account client invests in funds advised by TAM, its fund holdings and separate account holdings will be maintained separately

Wrap Fee Programs

“Wrap arrangements,” “wrap fee programs,” or “wrap fee accounts” involve individually-managed accounts for individual or institutional clients. The wrap fee accounts are offered as part of a larger program by a “sponsor,” usually a brokerage, banking or investment advisory firm, and managed by one or more investment advisers. TAM has an agreement with a wrap fee program sponsor through which TAM’s services are offered as an investment option within the wrap fee program and, accordingly, TAM provides investment management services to those clients who select TAM as part of the program. The program sponsor typically pays a portion of its program fee to TAM for its services.

Item 5 – Fees and Compensation

Clients pay advisory fees based on a percentage of assets under management, and in some cases, may also pay performance fees. Advisory fees charged by TAM take into consideration the following factors: (i) level of servicing, (ii) investment objective and investment strategy, (iii) account size, (iv) type of investment securities, (v) additional portfolios under management, (vi) terms of the agreement, and (vii) other factors. Actual fees, minimum fees and minimum account sizes may be negotiated and may vary among clients. Fees for special arrangements with specific clients to provide unique services may be outside the ranges described below.

Registered Investment Company and other Fund Accounts. Fees are payable monthly in arrears and are based on the average daily value of the net assets of the fund. The fee arrangements for such funds are generally described in the funds’ prospectuses or other offering documents. The annual fees for U.S. registered funds advised by TAM are set forth in their public filings, which are 0.90%. Fees may be subject to breakpoints as negotiated by each client, and may include a commitment to waive fees or reimburse a fund’s expenses where expenses exceed certain predetermined thresholds.

UCITS (Undertakings for Collective Investment in Transferable Securities). TAM serves as investment manager to a UCITS fund, authorized in Ireland pursuant to the European Communities (UCITS) Regulations. TAM may enter into agreements with UCITS investors whereby investors may be offered terms and conditions that are different than or more advantageous than terms offered in the funds’ offering documents.

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

Clients may arrange to have their fees debited directly from their account subject to applicable regulatory requirements. The annual fee rates for new separate accounts range

between 0.75% and 1.50%, subject to negotiation and depending on the factors described above. Such fees may include certain administrative services.

Private Funds. TAM manages one private fund; Third Avenue Real Estate Opportunities Fund (“REOP”). The fee is 1.50% annually. Fees for REOP are payable monthly in advance and are based on the partner’s or member’s capital balance or net assets of the fund as of the beginning of the month. REOP is generally subject to an incentive fee or allocation equal to 20% of fund profits subject to high water marks. Incentive fees, if applicable, are paid annually in arrears. REOP fees are described in detail in the fund’s offering document. TAM reserves the right to waive some or all fees for certain investors in the fund, including for investors who are affiliated with TAM. The terms set forth in the offering documents, such as management fees, withdrawal and redemption conditions, and information rights, may be negotiable and varied at TAM’s discretion, under side letters depending on the size of the proposed investment, type of investor, and special legal requirements applicable to the proposed investor.

Wrap Fee Programs. Certain wrap program sponsors have engaged TAM to manage assets as a program investment option for the sponsor’s wrap clients. With regard to wrap fee program accounts, the all-inclusive wrap fee assessed by the program sponsor may exceed the aggregate cost of the services provided if such services were negotiated and purchased separately, depending on the level of the all-inclusive fee, the amount of trading activity in a client’s account, the cost of brokerage commissions, and the value of any other services rendered to the client. The fees paid by clients for investing in a wrap fee account are set by the sponsor, and are generally disclosed in the sponsor’s contract established with each client. The wrap account program sponsor then pays TAM a portion of the wrap fee.

For detailed information about the wrap fees charged by a specific wrap program sponsor, clients can refer to the sponsor’s Form ADV Part 2A or to other materials provided by the sponsor.

Additional Costs. In addition to paying an advisory fee, clients may pay brokerage commissions, mark-ups, mark-downs, dealer spreads and/or other commission equivalents, foreign currency exchange costs, custodian fees, and regulatory charges and other expenses related to transactions effected for their accounts, except where such expenses are specifically covered pursuant to a wrap agreement. TAM’s brokerage practices are described below under “Item 12 – Brokerage Practices.” TAM clients bear other expenses as described in their offering documents. To the extent assets in a separate account are invested in a fund, such investment bears the expenses of the fund (including advisory fees) in addition to the advisory fees paid to TAM.

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

The portfolio managers for REOP charge a performance-based fee, and also manage non-performance based fee funds. Although the performance-based fee fund does not have the same investment strategy as the non-performance-based fee funds, a conflict of

interest may exist with regards to a portfolio manager favoring the performance-based fee fund over a non-performance-based fee fund with regards to trading and allocation of investment opportunities. In order to monitor this conflict, TAM has adopted compliance policies and procedures for trading and allocations, and the TAM Compliance Department performs periodic review of trades and allocations in order to attempt to detect any inappropriate trading or allocations.

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

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

Item 7 – Types of Clients

As described in Item 4, TAM clients include registered investment companies, private funds, offshore funds, individuals, corporations, pension plans, trusts, estates, educational institutions, endowments and foundations.

Conditions for Managing Accounts. TAM's minimum account size is typically \$1 million, depending upon the investment strategy, for individual and institutional advisory separate accounts. However, this minimum is negotiable and may be waived or modified at TAM's discretion. TAM also reserves the right to decline any potential client for any reason. Funds advised by TAM have investment minimums and requirements as described in their offering documents.

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

As discussed in Item 4, TAM seeks capital appreciation through long-term value investing. TAM seeks to achieve this objective mainly by investing in common stocks of well financed companies, meaning companies with high quality assets and conservative levels of liabilities, at a discount to what the Advisor believes is their intrinsic value. The descriptions set forth in this Brochure of specific strategies and investments should not be deemed to limit TAM's investment activities. TAM may engage in any investment

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

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

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

Investment Risks and Other Risks

The investment strategies used by TAM carry various levels and types of risk. Stock markets and bond markets can fluctuate substantially over time, and performance of any investment is not guaranteed. Investments made depend on the investment mandate chosen by the client, and not all types of investments described below apply for all clients. Some of the risks of investing in TAM investment strategies include:

Canadian Securities Risk. TAM may invest in, and/or have exposure to, Canadian Securities. The Canadian economy may be significantly affected by the U.S. economy because the U.S. is Canada's largest trading partner and foreign investor. Canada's largest exports are its natural resources, so the Canadian economy is dependent on the demand for, and supply and price of, natural resources, and any market developments that reduce the price of such goods could disproportionately affect the Canadian economy.

Commodities Risk. Prices of commodities such as timber and oil have historically been very volatile. Reductions in commodity prices will likely cause the prices of the securities of companies associated with the production of those commodities to decline.

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

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

Cybersecurity Risk. With the increased use of technologies to conduct business, TAM is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber incidents impacting TAM have the ability to cause disruptions and impact business operations, potentially resulting in the inability to transact business, financial losses, violations of applicable privacy and other laws, regulatory fines, penalties or reputational damage. While TAM has established a business continuity plan as well as risk management systems intended to identify and mitigate cyberattacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, TAM cannot control the cybersecurity plans and systems put in place by third party service providers and issuers in which client portfolios invest. Clients could be negatively impacted as a result.

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

Focused Investing Risk. Although the TAM portfolios are each classified as diversified investment companies under the Investment Company Act of 1940 (the “Act”), each portfolio’s investments will normally be more focused than its peers and may emphasize investments in some issuers, industries, sectors or geographic regions more than others. To the extent that a portfolio increases the relative emphasis of its investments in a particular issuer, industry, sector or geographic region, its share values may fluctuate in response to events affecting such issuer, industry, sector or geographic region. A portfolio does not lose its status as a diversified investment company because of any subsequent discrepancy between the value of its various investments and the diversification requirements of the Act, so long as any such discrepancy existing immediately after the portfolio's acquisition of any security or other property is neither wholly nor partly the result of such acquisition. Therefore, a TAM portfolio from time to time may have an investment portfolio that is considered “non-diversified” by the Act despite its classification as a diversified investment company.

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

German Securities Risk. Investments in German issuers subjects investors to legal, regulatory, political, currency, security, and economic risks specific to Germany. Recently, new concerns have emerged in relation to the economic health of the European Union (the “EU”), which have led to downward pressure on the earnings of certain financial institutions, including German financial services companies. Germany has an industrial and export dependent economy and therefore relies heavily on trade with key trading partners, including the Netherlands, China, the U.S., the United Kingdom (the “U.K.”), France, Italy and other European countries. Germany is dependent on the economies of these other countries, and a decline in the price or demand for German exports may have an adverse impact on its economy.

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

Hong Kong Securities Risk. Investments in Hong Kong issuers may subject TAM to legal, regulatory, political, currency, security, and economic risk specific to Hong Kong. As a Special Administrative Region of China, any changes in the Chinese economy, trade regulations or currency exchange rates may have an adverse impact on Hong Kong’s economy.

- *Political and Social Risk.* Hong Kong reverted to Chinese sovereignty on July 1, 1997 as a Special Administrative Region of the People’s Republic of China under the principle of “one country, two systems.” Although China is obligated, under the SinoBritish Joint Declaration it signed in 1984, to maintain the current capitalist economic and social system of Hong Kong through June 30, 2047, the continuation of economic and social freedoms enjoyed in Hong Kong is dependent on the government of China. Any attempt by China to tighten its control over Hong Kong’s political, economic or social policies may result in an adverse effect on Hong Kong’s economy.
- *Economic Risk.* The economy of Hong Kong is closely tied to the economy of

China. The Chinese economy has grown rapidly during the past several years and there is no assurance that this growth rate will be maintained. China may experience substantial rates of inflation or economic recessions, causing a negative effect on the economy and securities market. Delays in enterprise restructuring, slow development of well- functioning financial markets and widespread corruption have also hindered performance of the Chinese economy, and China continues to receive substantial pressure from trading partners to liberalize official currency exchange rates. Additionally, any fluctuation or shortage in the commodity markets could have a negative impact on the Hong Kong economy, which has few natural resources.

Insolvency and Bankruptcy Risk. Investments in obligations of stressed, distressed and bankrupt issuers, including debt obligations that are in default, generally trade significantly below par and are considered speculative. There is even a potential risk of loss by TAM of its entire investment in such securities. There are a number of significant risks inherent in the bankruptcy process. A bankruptcy filing by an issuer may adversely and permanently affect the market position and operations of the issuer. The Adviser, on behalf of TAM, may also participate on committees formed by creditors to negotiate with debtors with respect to restructuring issues. There can be no assurance that the Adviser's participation would yield favorable results for TAM, and such participation may subject TAM to additional duties, liabilities and trading restrictions in a particular investment.

Liquidity Risk. Liquidity risk exists when particular investments are difficult to sell. TAM may not be able to sell these investments at the best prices or at the value a TAM portfolio places on them. In such a market, the value of such investments may fall dramatically, even during periods of declining interest rates. Investments that are illiquid or that trade in lower volumes may be more difficult to value. The market for high-yield debt securities ("junk bonds") may be less liquid and therefore these securities may be harder to value or sell at an acceptable price, especially during times of market volatility or decline. Investments in foreign securities tend to have greater exposure to liquidity risk than U.S. securities. Liquidity can decline unpredictably in response to overall economic conditions or credit tightening. An unexpected increase in portfolio redemption requests, including requests from shareholders who may own a significant percentage of a portfolio's shares, could cause the portfolio to sell its holdings at a loss or at undesirable prices and adversely affect the portfolio's share price and increase the portfolio's liquidity risk, portfolio expenses and/or taxable distributions.

Market Risk. The success of client account investments will be affected by general economic and market conditions where TAM and third-party managers have a lack of control, such as, but not limited to, interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barrier, currency fluctuations and controls, national and international political circumstances and force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of infectious disease, pandemic or any other serious public health concern, war, terrorism, etc.).

Real Estate Risk. In addition to general market conditions, the value of a TAM portfolio will be affected by the strength of the real estate markets.

Factors that could affect the value of TAM portfolio holdings include the following: overbuilding and increased competition; increases in property taxes and operating expenses; declines in the value of real estate; lack of availability of equity and debt financing to refinance maturing debt; vacancies due to economic conditions and tenant bankruptcies; losses due to costs resulting from environmental contamination and its related clean-up; changes in interest rates impacting property values, borrowing costs, and real estate security prices; changes in zoning laws; casualty or condemnation losses; variations in rental income; changes in neighborhood values; and functional obsolescence and appeal of properties to tenants.

REIT and Real Estate-Related Investment Risk. To the extent that a portfolio is invested in real estate-related investments, such as securities of real estate-related companies, real estate investment trusts (REITs), real estate operating companies (REOCs) and related instruments and derivatives, it will be subject to the risks associated with owning real estate and with the real estate industry generally. These include difficulties in valuing and disposing of real estate, the possibility of declines in the value of real estate, risks related to general and local economic conditions, the possibility of adverse changes in the climate for real estate, environmental liability risks, the risk of increases in property taxes and operating expenses, possible adverse changes in zoning laws, the risk of casualty or condemnation losses, limitations on rents, the possibility of adverse changes in interest rates and in the credit markets and the possibility of borrowers paying off mortgages sooner than expected, which may lead to reinvestment of assets at lower prevailing interest rates. To the extent a portfolio is invested in REITs, it will also be subject to the risk that a REIT will default on its obligations or go bankrupt. By investing in REITs indirectly through a TAM portfolio, a shareholder will bear not only his or her proportionate share of the expenses of the portfolio, but also, indirectly, similar expenses of such REITs.

Small- and Mid-Cap Risk. TAM invests in smaller and mid-size companies whose securities tend to be more volatile and less liquid than securities of larger companies. This can adversely affect the prices at which TAM can purchase and sell these securities, and thus, the value of the account.

Style Risk. Value securities involve the risk that they may never reach their expected full market value, either because the market fails to recognize the securities' intrinsic value or the expected value was misgauged. TAM may identify opportunities in industries that appear to be temporarily depressed. The prices of securities in these industries may tend to go down more than those of companies in other industries. Since a TAM portfolio is not limited to investing in stocks, a portfolio may own significant non-equity instruments in a rising stock market, thereby producing smaller gains than a portfolio invested solely in stocks. Because of the TAM's disciplined and deliberate investing approach, there may be times when a TAM portfolio will have a significant cash position. A substantial cash position can adversely impact TAM portfolio performance in certain market

conditions and may make it more difficult for the TAM portfolio to achieve its investment objective.

United Kingdom Securities Risk. Investments in United Kingdom (“U.K.”) issuers may subject TAM to regulatory, political, currency, security, and economic risks specific to the U.K. The U.K. has one of the largest economies in Europe, and the U.S. and other European countries are substantial trading partners of the U.K. As a result, the U.K.’s economy may be impacted by changes to the economic condition of the U.S. and other European countries. In a referendum held on June 23, 2016, the U.K. resolved to leave the European Union (the “EU”), and the U.K. officially left the EU at the end of January 2020. The U.K.’s departure from the EU may introduce significant uncertainties and instability in the financial markets.

Item 9 – Disciplinary Information

There are no applicable legal or disciplinary events relating to TAM.

Item 10 – Other Financial Industry Activities and Affiliations

Affiliated Managers Group, Inc. (“AMG”), a publicly traded asset management company, holds an equity interest in TAM through its holding company Third Avenue Holdings Delaware, LLC (“TAHD”). AMG’s equity interest in TAM is structured so that TAM maintains operational autonomy in managing its business. The relationship between AMG, TAHD, and TAM is defined by an operating agreement that provides that neither AMG nor TAHD has the authority or the ability to operate or manage TAM’s business in the normal course. Accordingly, AMG and TAHD are not “control persons” of TAM. AMG also holds equity interests in certain other investment advisers (“AMG affiliates”). Each of the AMG affiliates, including TAM, operates autonomously and independently of AMG and of each other. TAM does not have any material business dealings with these AMG affiliates and does not conduct any joint operations with them. TAM carries out its asset management activity, including the exercise of investment discretion and voting rights, independent of the AMG affiliates. The AMG affiliates do not formulate advice for TAM’s clients and do not, in TAM’s view, present any potential conflict of interest with TAM’s clients. A list of all AMG affiliates is available to TAM’s clients upon request.

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

From time to time, TAM or its affiliates may act as general partner, managing member or other controlling entity that creates or sponsors limited partnerships, limited liability companies and other investment vehicles, and TAM clients may be solicited to invest in these vehicles. Certain wholly-owned subsidiaries of TAM serve as general partners for limited partnerships or managing members of limited liability companies that TAM and

its affiliates may create and/or place interests in such vehicles, which are privately placed and not registered with the SEC.

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

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

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

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

Code of Ethics

TAM has adopted a Code of Ethics (the "Code") that applies to all employees. The Code describes the standard of conduct TAM requires of employees and sets forth restrictions on certain activities, including personal trading in accounts owned, managed or beneficially owned by employees. The Code's provisions also include requirements relating to areas such as gifts, business entertainment, and insider trading. By setting forth the regulatory and ethical standards to which TAM's employees must adhere, the Code supports TAM's efforts to promote a high level of professional conduct.

Personal Trading

The Code contains guidelines and requirements for the personal trading activity of TAM employees and members of their households. These parameters are intended to prevent employees from personally benefiting from TAM's investment decisions or recommendations to its clients. The Code requires employees and members of their households to pre-clear certain personal securities transactions with the Firm's Legal and Compliance Department prior to execution. The Code also establishes restrictions for trading in securities that are being considered for purchase or sale in client accounts, causing a client account to take action or fail to take action for personal benefit and

disclosing current portfolio transactions made or contemplated for client accounts to anyone outside of TAM other than to facilitate client transactions. Additional guidelines include a restriction on realizing short-term profits, required pre-clearance for participation in private placements, and a prohibition against participation in initial public offerings.

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

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

Insider Trading/Material Non-Public Information

TAM maintains policies and procedures designed to prevent the misuse of material non-public information. Employees are prohibited from seeking out material non-public information, or, in cases where they come in to possession of material non-public information, using it as basis for purchasing or selling securities in client accounts or in their personal accounts. Employees are also prohibited from further disseminating material non-public information to any other parties either within or outside of TAM, except for the Legal and Compliance Department in order to verify whether certain information is, in fact, material non-public information.

Gifts and Business Entertainment

The Code includes policies and procedures for giving or receiving gifts and business entertainment, and establishes dollar limits for giving or receiving gifts in an effort to mitigate potential conflicts of interest between TAM employees and TAM's vendors, broker/dealers, consultants or other business relationships. TAM's Compliance Department maintains records of reported gifts and conducts periodic reviews to identify potential conflicts of interest.

Political Contributions

TAM prohibits its employees from making political contributions on behalf of TAM, from being reimbursed for making personal political contributions, or from making political contributions for the purpose of securing or retaining business. TAM maintains policies and procedures that establish dollar limits for employee political contributions, as well as preclearance requirements that must be met before such contributions are made by TAM employees.

Distribution of Code

All TAM employees are provided a copy of the Code at the time of hire and annually thereafter. Each employee must affirm that the employee has received and read a copy of the Code, and that the employee understands its provisions. TAM's Legal and Compliance Department conducts periodic training to review the Code with employees. A copy of the Code is also available to clients or prospective clients upon request and may be obtained by contacting TAM using the contact information on the Cover Page of this Brochure.

Item 12 – Brokerage Practices

Best Execution. TAM seeks to obtain best execution of its clients' trades. In doing so, it considers the costs inherent in trading, including opportunity costs, market impact costs and commissions. TAM, through its Brokerage Committee, evaluates the quality of execution to its clients. TAM evaluates reports prepared by third-party vendors, which compare the trade execution of all brokers versus relevant metrics.

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

Soft Dollars. TAM may compensate a broker for providing certain brokerage and research services by directing client commissions to the broker providing these services that may be more than would have been paid to another broker for executing the same trade without providing the additional services so that commissions paid on soft dollar trades may not be as low as the commission paid on trades to a broker that is not providing research. The services received include: proprietary research reports on individual issuers and industries (may be upon request or unsolicited), access to analysts, assistance in arranging meetings with executives of issuers (level of assistance may range from having executives visit TAM offices, to scheduling full itinerary for overseas trip visiting numerous executives at numerous issuers), and invitations to group presentations by analysts and/or issuer executives. Research services may include proprietary research (created or developed by the broker dealer) and research created or developed by a third party. Research services obtained may be utilized in formulating investment advice for any clients of TAM, including clients other than those that paid commissions to the broker on the particular transaction. TAM does not seek to allocate soft dollar benefits among client accounts proportionally to the accounts generating soft dollar credits. TAM will only receive brokerage or research services in connection with transactions that are consistent with Section 28(e) of the Securities Exchange Act of 1934. TAM performs periodic reviews in order to determine that the commissions paid on soft dollar trades are reasonable in relation to the value of the brokerage and research services received. On a quarterly basis, TAM's Research Department will review its research needs and create a soft dollar budget for all TAM clients in the aggregate. On a quarterly basis, TAM's

Brokerage Committee shall review the commission dollars paid to broker/dealers to ascertain whether TAM's trading desk is allocating those dollars in appropriate conformance with the soft dollar budget (with the understanding that this budget is not absolute and it may not be possible to allocate trades in the exact amounts budgeted).

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

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

Aggregation and Allocation. Securities considered for investment by a client or group of clients may also be appropriate for one or more other clients. If the purchase or sale of a security is considered at or about the same time for more than one client, TAM will seek to allocate transactions in such security among such clients in a manner considered by TAM to be fair, equitable and consistent with allocation procedures adopted by TAM in conformance with applicable rules and regulations.

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

When trading securities which may be considered less liquid, or where there are multiple allocations, and multiple directed brokers, TAM will rotate brokers. If the liquidity and size of orders are determined to be executable at or around the same time/price, TAM will execute multiple orders at the same time. If at a later time additional clients seek to purchase or sell the same security, TAM will place a new order and the clients participating in the new order will receive the average price at which the new order is executed.

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

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

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

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

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

TAM generally executes orders for wrap accounts or other fully directed relationships separately from transactions for non-directed accounts. Wrap, directed and non-directed accounts may trade the same securities at the same time. However, due to the number of brokers executing transactions for wrap or other directed relationships, execution may be completed at different times for clients in these relationships than for TAM's non-

directed accounts (and may not be completed for several days after the completion of orders executed for TAM's non-directed accounts). As a consequence, different clients may receive different prices over time even while trading in the same securities.

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

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

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

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

Approved Brokers. TAM maintains an Approved Broker List for executing trades on behalf of clients. TAM maintains a process for approving brokers that includes a review of operating history, publicly available information, a FINRA Broker Check, other financial information, and the regulatory history of each new broker.

Trade Errors. TAM has established Trade Error procedures which provide for the resolution of transactional errors. Once discovered, transaction errors are expected to be reported internally as soon as possible. It is TAM's policy to resolve any error identified in a client account in a manner which ensures the client account is not harmed. TAM prohibits the use of principal trades, directed brokerage or soft dollars to resolve trade errors.

Item 13 – Review of Accounts

Portfolio managers are primarily responsible for reviewing client accounts and do so periodically, individually or in a group, depending on account needs and market conditions. Reviews may be performed daily, weekly or monthly as portfolio managers deem appropriate or as otherwise required. Reviews may be undertaken for a variety of reasons, including but not limited to: changes in market conditions, changes in security

positions, at a client's request, changes in objectives, attainment of a limit in target weighting for an individual security or industry, or as part of a regularly scheduled review. Both qualitative and quantitative approaches are utilized to monitor compliance with investment objectives and restrictions in light of portfolio changes. Reviews are performed by the Portfolio Manager and/or team of relevant professionals. Currently, for separate accounts, these reviews are performed by the relevant Portfolio Manager or managers, and can include various members of the Third Avenue investment research team. The TAM Operations staff reconciles the vast majority of client accounts on a daily basis, and reconciles all accounts no less frequently than monthly.

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

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

Item 14 – Client Referrals and Other Compensation

TAM may enter into various arrangements pursuant to which third parties may be compensated for referring clients to TAM. Except as otherwise described below, compensation is typically either a percentage of assets initially invested, or remaining invested over time, or a percentage of TAM's advisory fees received from the referred clients. Such compensation may result in an additional charge to TAM's clients or in a different level of advisory fees than customarily charged by TAM. To the extent required by law, we require persons referring a client to us to enter into a written agreement with us. Any non-affiliated party to which we pay a referral fee will provide the prospective client with a disclosure statement relating to the referral arrangement.

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

TAM or its affiliates also provide compensation for the referral of investors into REOP and other funds advised by TAM, and such funds also may provide compensation directly

for investor referrals. These arrangements are further described in the funds' offering documents.

Item 15 – Custody

TAM's clients select their custodians and determine their arrangements for custody of their accounts. These custodians may be broker/dealers, banks, trust companies or other qualified institutions. In some instances, upon client authorization, TAM may submit requests for payment of TAM's fees directly to our clients' custodians. In such instances, TAM will take reasonable measures to confirm that such firms are qualified custodians and are sending statements at least quarterly to their clients. Separately managed account clients should carefully review the custodian statements to confirm that they accurately state all holdings and all applicable account activity over the relevant period. Any discrepancies should be reported to TAM and the qualified custodian.

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

Item 16 – Investment Discretion

TAM maintains investment discretion for all client accounts. Separately managed account clients may request specific investment restrictions to be incorporated into the investment management agreement. TAM may, on a limited basis, accept such requests when TAM believes that they will not unreasonably impede TAM's ability to manage the account consistent with the stated investment mandate. Clients should be aware that any restrictions imposed on the account may cause TAM to deviate from investment decisions that it would otherwise make. Funds managed by TAM are subject to the policies and restrictions stated in the funds' offering documents or by agreement with individual clients.

Item 17 – Voting Client Securities

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

retaining the authority to vote proxies or that have delegated proxy voting to a third party may contact TAM at 212-888-5222 with any questions about a particular solicitation.

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

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

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

Conflicts of Interest. When presented with an actual or potential conflict in voting a proxy, TAM shall address the matter using an appropriate method to assure that the proxy vote is free from any improper influence by: (1) determining that there is no conflict or that it is immaterial, (2) ensuring that TAM votes in accordance with a predetermined policy, (3) engaging an independent third-party professional to vote the proxy or advise TAM how to vote or (4) presenting the conflict to one or more of the clients involved and obtaining direction on how to vote.

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

Item 18 – Financial Information

TAM has no financial condition that impairs our ability to meet our contractual and fiduciary commitments to our clients, and TAM has not been the subject of a bankruptcy proceeding.