

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

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Date of Brochure: March 31, 2020

**This brochure provides information about the qualifications and business practices of Donald Smith & Co., Inc. If you have any questions about the contents of this brochure, please contact us at (212) 284-0990 or [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration with a particular authority does not imply any level of skill or training.**

**Additional information about Donald Smith & Co., Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Item 2 Material Changes

Summary of Material Changes for the calendar year ended December 31, 2019:

- 1) Donald G. Smith, President, Founder and Co-Chief Investment Officer passed away on October 30, 2019 due to complications with cancer. Prior to his death, the following succession actions occurred:
  - a. Richard L. Greenberg was named Chief Executive Officer and remains Co-Chief Investment Officer.
  - b. Jonathan E. Hartsel was named Co-Chief Investment Officer and remains Director of Research.
  - c. The shares held by Donald G. Smith were transferred to the Donald G. Smith Voting Trust, which is comprised of three trustees: Richard L. Greenberg, Jonathan E. Hartsel and Laura Winner. Ownership of the shares for profit payments was transferred to Richard L. Greenberg.
  - d. Richard L. Greenberg joined the Board of Directors.
  - e. The Board of Directors approved additional sale of stock to current employees at the end of 2019.
- 2) In 1Q19, we updated our annual procedures for Business Continuity and Disaster Recovery (BC/DR) testing. We selected one work day for our test and all employees worked remotely from home accessing their work machines via LogMeIn. We worked the full day on the DR server and then moved back to production at the end of the day.
- 3) In December 2019, Ann Cianfrone was promoted to Chief Operating Officer. She will maintain her role as Chief Compliance Officer.
- 4) In December 2019, we moved certain older files to a third-party, offsite storage location. The storage vendor is Iron Mountain and the records are located in Jersey City, NJ. We maintain a detailed inventory log for every box that is stored to make the retrieval process easier when necessary.
- 5) In 2019, we upgraded several of our daily procedures to include electronic recordkeeping vs. storing hard copies, including proxy records, personal trade statement monitoring, nightly trade files and completed and cancelled electronic order tickets.
- 6) In January 2020, the firm issued additional ownership shares. Two new employees were included in this distribution. Total ownership by current employees is now 51%. The sole non-employee owner is a GRAT formed by our late founder, Donald Smith. It's beneficiaries are his two surviving daughters.
- 7) Effective January 1, 2020, there was a name and strategy change for one of our affiliated funds. Donald Smith/Long Short Equities Fund, L.P. is now DSCO Value Fund, L.P. It is now a long-only fund. Once a month, it automatically replicates all long equity holdings of Donald Smith & Co., Inc. with weights above 0.10%. It does not purchase any other holdings outside of this once-a-month automated rebalance and it no longer shorts securities.
  - a. Given the above-mentioned changes the fund has changed it's fee to a flat 1.25% on all fee-paying AUM, with no incentive fee. Accordingly, the fund entered into an IMA directly with Donald Smith & Co., Inc. so beginning in 1Q19 it will be a direct client instead of a sub-advised fund.

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**A) Description of Firm; Firm Inception; Principal Owners**

Donald Smith & Co., Inc. was formed in 1975 as Home Portfolio Advisors, Inc. The name and ownership of Home Portfolio Advisors, Inc. was changed to its present form in 1983, when it was purchased by our late founder, Donald G. Smith. We are a registered independent investment advisor since 1975, specializing in managing value equity accounts for large institutions.

We have practiced our investment philosophy since our inception with great success, and have never deviated from our style. We have only one line of business and thus are able to devote all of our time to managing client assets. Our business is simple – we only manage low price/book equities – and this allows us to conduct focused, detailed fundamental analyses of companies we invest in.

We are an independent entity and have no parent organization. Currently, seven employees and a trust set up by Donald G. Smith have ownership stakes in the company. The total ownership of current employees is now 51%. The voting stock and management of the company is controlled by employees – Richard L. Greenberg and Jonathan E. Hartsel. Of these 8 owners, one is a principal owner:

Donald G. Smith 2004 GRAT Trust - Richard L. Greenberg, Trustee

Donald G. Smith passed away in October 2019. He and Richard Greenberg worked together for over 38 years. Our new Co-CIOs, Richard L. Greenberg and Jonathan E. Hartsel, have worked together for over 16 years.

**B) Types of Services Offered**

As stated above, we have only one line of business – managing value equity accounts for large institutions. We specialize in value investing and our investment advice is limited to this area. We offer six products:

All Cap Value Equity,  
Large Cap Concentrated Value Equity,  
Midcap Value Equity,  
Small Cap Value Equity,  
Micro Cap Value Equity, and  
Global Value Equity.

In our All Cap Value Equity, Large Cap Concentrated Value Equity, Midcap Value Equity, Small Cap Value Equity and Micro Cap Value Equity products, we invest in securities listed on national exchanges, including domestic equities, ADRs of foreign companies and dually-listed companies. We may also receive ordinary shares of foreign companies, rights, warrants, etc. via corporate actions affecting our existing holdings. In these instances, we will elect to participate on a case-by-case basis and will only participate on behalf of clients that have approved these types of holdings for their portfolio(s).

In our Global Value Equity product we invest in ordinaries of foreign companies priced in local currencies in addition to all of the above listed security types.

We do not utilize any derivatives or any fixed income securities for any of our products.

**C) Tailoring Services to Clients; Client Restrictions**

Our clients are able to place guidelines and restrictions on their accounts if they choose. Examples of areas that can be restricted upon clients' requests include, but are not limited to:

- Cash maximum,
- Individual security weight maximum (at cost or at market),
- Sector and/or Industry weight maximum,
- Foreign Investment / ADR maximum,
- Soft-dollar usage,
- Proxy voting authority,
- Client-directed trade programs,
- Restricted securities, and
- Types of securities \*

\* Again, we invest in securities listed on national exchanges, including domestic equities, ADRs of foreign companies, dually-listed companies and, for the Global Value Equity product, ordinaries of foreign companies. We do not utilize any derivatives or any fixed income securities.

In addition we allow our clients to select performance-based fees.

**D) Wrap Fee Programs**

We provide investment advisory services for a wrap fee program in our Large Cap Concentrated Value Equity product. The only difference between the wrap accounts and the other client accounts is that all trades executed on behalf of the wrap accounts have to be traded through the broker managing the wrap program at \$0 commission. In all other ways we manage the wrap accounts in the same way we manage all other client accounts.

Our investment advisory fees are included in the total wrap fees charged to these accounts.

**E) AUM – Discretionary vs. Non-Discretionary**

As of December 31, 2019 our total firm assets under management was \$2,951M. The breakdown between discretionary and non-discretionary assets was:

Discretionary:	\$2,951M	*(100% discretionary)
Non-Discretionary	\$0	

Item 5 Fees and Compensation

**A) Fee Schedules**

Our sole source of compensation is the investment management fees paid to us by our clients.

We are an SEC-registered adviser and we only send brochures to Qualified Purchasers, as defined in section 2(a)(51)(A) of the Investment Company Act of 1940. As such, the fee schedules for our products are available upon request.

Generally, we do not negotiate fees. We have most-favored-nations (MFN) clauses in some of our existing client contracts.

**B) Frequency of Billing**

We send quarterly invoices to our clients. At the end of each quarter, the fees are calculated for each client based on their prior quarter's assets and an invoice is sent either by mail or e-mail to the appropriate person(s), as specified by the client.

Deducting fees directly from client accounts is not an available method for clients to select.

**C) Other Types of Fees or Expenses**

There are no additional fees or expenses that clients pay to us in connection with our advisory services beyond the quarterly fee payments as described in B above.

Note that all clients, with the exception of the wrap accounts as described in Item 4 D, will incur brokerage and other transaction costs. See Item 12 for additional details.

**D) Fees Payable in Advance (*not applicable*)**

As previously stated, we bill for fees at the end of each quarter. We do not accept pre-paid fees.

**E) Compensation for Sales (*not applicable*)**

Neither the firm nor any supervised person accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Performance based fees are available upon request. Currently we manage both accounts with performance-based fee schedules and accounts with our standard, asset-based fee schedules. Managing both types of accounts side-by-side presents opportunities for conflicts of interest, including that as a firm we have an incentive to favor accounts for which we receive performance-based fees.

We are very sensitive to conflicts of interest in all aspects of our business, including side-by-side management. Our clients include mutual funds, public and corporate pension plans, endowments and foundations, and other separate accounts. We have put in place systems, policies and procedures which have been designed to maintain fairness in portfolio management across all our clients. Potential conflicts between funds or types of accounts are managed via allocation policies and procedures, internal review processes, and direct oversight by Richard L. Greenberg, CEO.

### **Allocation Policies & Procedures**

We are aware of the potential conflicts of interests among clients and as such, have adopted policies to ensure fairness to our clients.

We manage separate, individual portfolios, each containing various guidelines and restrictions regarding cash levels, market capitalization, foreign securities, maximum position, etc. To gain maximum efficiency in our trading, we have a centralized trading desk. All trade allocation decisions are based on client guidelines and client restrictions (i.e. cash, foreign securities and market capitalization restrictions).

In allocating purchases between similar clients, one or more clients may go first if cash relative to a specific guideline is higher than other client portfolios or if exposure to a sector, industry, and/or the purchased security relative to a specific client guideline is less than other clients. In allocating sales, one or more clients may go first if cash relative to a specific guideline is lower than other client portfolios or if exposure to a sector, industry, and/or the purchased security relative to a specific guideline is greater than other clients. In cases of block trading, purchases and sales are generally spread proportionately among remaining appropriate clients, depending upon asset size.

The allocations for all order tickets that the trader is actively working are reviewed against each account's guidelines and restrictions by the CCO every day. In the CCO's absence this review is conducted by Kamal Shah, Head Trader. Prior to 2018, a majority of our trade orders were allocated to single accounts. In 1Q 2018 we initiated a new procedure for trade allocations. An initial allocation statement is created in Excel for each new order ticket generated. The allocation statement shows the planned allocation for all shares on the ticket. To the extent that there are subsequent deviations from this initial allocation plan, those are noted at the bottom of the allocation statement. Portfolio management is a dynamic and time-sensitive exercise and thus, there could be instances when allocations could be modified from the allocation statement post-trade.

Additionally, we have developed reason codes to show allocation reasons in our trade order management system and on our paper trade tickets.

### **Trade Allocation Codes:**

A – High Cash Level / Low Cash Level

B – Low Individual Name Exposure / High Individual Name Exposure

C – Low Industry/Sector Exposure Level / High Industry/Sector Exposure Level

Item 6 Performance-Based Fees and Side-by-Side Management (continued)

**Internal Review Processes**

Daily, an asset matrix of all of our clients and all of our securities held across all accounts is updated and distributed to all investment personnel. This is reviewed against our list of client guidelines and restrictions to ensure that each holding is distributed appropriately among all client accounts that are eligible to hold it.

Additionally, our annual compliance review process includes a forensic test of allocation procedures. We randomly select multiple order tickets from the prior year and verify that the allocation code is selected and that the code selected was appropriate and applied fairly among all eligible accounts.

**Direct Oversight**

As we are a boutique firm, by choice, we have constant supervision and monitoring. Our Chief Compliance Officer, Ann Cianfrone oversees all areas of compliance. Richard L. Greenberg, Chief Executive Officer and Co-Chief Investment Officer, is the ultimate reviewer of all activities.



## Item 7 Types of Clients

Our clients are sophisticated investors and are considered Qualified Purchasers, as defined in section 2(a)(51)(A) of the Investment Company Act of 1940. The types of clients we have managed money for historically include, but are not limited to:

- Public Pension Plans
- Corporate Pension Plans
- Taft-Hartley Plans
- Foundations
- Trusts / Endowments
- Limited Partnerships
- Mutual Funds (sub-advisory)

The minimum account size for our All Cap Value Equity, Large Cap Concentrated Value Equity, Midcap Value Equity, Small Cap Value Equity, Micro Cap Value Equity and Global Value Equity products is \$25 million.

**A) Methods of Analysis / Investment Strategies**

We are a deep-value manager employing a disciplined bottom-up approach. Generally, we invest in stocks of out-of-favor companies selling at discounts to tangible book value. We try to look for companies in the bottom decile of price-to-tangible book value ratios and a positive outlook for earnings potential over the next 2-4 years.

Fundamental security analysis and basic research are the heart, soul and strength of our firm. We have a centralized research function. Our intensive research tries to determine which of these low price/tangible book value stocks will turn around and achieve their earnings potential. While we do closely follow and analyze broad economic and sector trends, our primary approach is bottom up. We first will find a cheap stock and then see if our industry and economic views support our individual company thesis.

We work as a team on each new company analyzed. Our research team has an in-depth knowledge of every holding. Databases include, but not limited to, Bloomberg, Value Line, Capital IQ and Market Guide. While we do receive and read Street research, a majority of our ideas are internally generated and researched.

We focus our in-depth research on stocks selling at discounts to tangible book value. We deduct goodwill and intangibles from stated book value, and do a thorough review of asset quality. Our ultimate goal is to determine how much earnings this asset base can generate looking out 2-4 years. We buy low price/tangible book value stocks that sell at the lowest multiples on these potential earnings. Our initial screens of various databases encompass about 4,000 companies for our domestic products and about 13,000 companies for our global product. We eliminate those that do not meet our market capitalization requirements and focus our research on the lowest 10% price/book. A watch list of approximately 300 companies is created and monitored. We closely follow about 100 securities.

Our in-depth research includes time spent reading company documents and speaking/meeting with company management.

Before investing in any company, we try to have multiple phone conversations with company management to familiarize ourselves with their strategies, beliefs and intentions. We will typically start our conversations with investor relations and subsequently speak and meet with upper management. We also talk to competitors, suppliers and customers. Critical topics we discuss include quality of asset base, book value, any hidden writedowns, catalysts that will turn the industry/company around. We focus on a company's earnings potential on a normalized basis.

Analysis of corporate management and governance is also a valuable input in our research process. Often, managements of our securities may be perceived negatively because of temporary cyclical problems. We look for managements that stick to their core business, cut their own costs, do not make anti-dilutive acquisitions, etc.

Note that investing in securities involves risk of loss that clients should be prepared to bear.

**B) Material Risks (general)**

Investing in equity securities is subject to substantial risks which could include a complete loss of investment.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Above all, we are concerned with absolute risk. We define risk as loss of principal. We try to control risk by buying stocks at deep discounts to book value and asset value. Risk is further controlled by not investing in any derivative securities. We invest in securities listed on national exchanges, including domestic equities, ADRs of foreign companies and dually-listed companies.

Individual position size limits depend upon client constraints. Typically, we limit any one holding to about 5% of the portfolio at time of purchase and the maximum industry exposure to about 20%. Currently, the representative client in the Global Value Equity product has mandated a strict criterion of no more than 10 holdings in its portfolio. Given the highly concentrated nature of this mandate, we will frequently exceed our typical security and industry exposures stated herein. Other client accounts in this product may be different depending on each client's investment guidelines. We usually do not buy more than 10% of the outstanding stock of a company.

Our intense balance sheet analysis and focus on asset quality helps to limit the downside risk. Because we concentrate our universe on the lowest decile of stocks based on price/tangible book value, we can devote our resources to a concentrated universe. We, therefore, feel that we know this universe extremely well--better than our competitors--and this also limits risk.

Our Global Value Equity product, which invests in ordinaries of foreign companies, will be subject to additional risks. Investing directly in a stock on a local exchange can be more complicated and risky than trading on U.S. exchanges. Investors in the product must be willing to handle the ups and downs of the overseas markets, which at times can be more erratic than the U.S. market. Other additional risks include currency risks, liquidity concerns and availability of information:

- a) **Currency Risks:** If the U.S. dollar value rises compared to the foreign currency, some realized gains will be lost during currency conversion.
- b) **Liquidity Concerns:** Overseas stock exchanges are smaller and can be less liquid than the U.S. exchanges (e.g. the NYSE is the largest and most liquid exchange in the world). Less liquidity can make it more difficult to get in and out of positions quickly and at a desirable price. Time zone differences can also create problems when placing trades.
- c) **Other countries have different rules and regulations regarding reporting and accounting techniques compared to the U.S.** Local markets may not require the detailed information that is required in the U.S. Different accounting rules and principles might make comparing two companies more difficult.

**C) Material Risks (security type specific)**

We invest in securities listed on national exchanges, including domestic equities, ADRs of foreign companies and dually-listed companies. See B above for information on risks associated with those types of securities.

For our Global Value Equity product we also invest in ordinaries of foreign companies, priced in their local currencies, which includes additional risks as detailed in B above.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Trading in foreign ordinaries also leads to additional fees, including but not limited to:

- a) The cost of accessing the local market (usually a fee to the local market agent),
- b) A currency conversion fee,
- c) Additional custody and/or settlement fees may also be applicable.

Item 9 Disciplinary Information

No material legal or disciplinary events for the firm or any supervised person.

Item 10 Other Financial Industry Activities and Affiliations

**A) Registered as Broker-Dealer (not applicable)**

Neither Donald Smith & Co., Inc. nor any of our management persons are registered, or have an application pending to register, as a broker-dealer or a representative of a broker-dealer.

**B) Futures and Commodity Registration**

Donald Smith & Co., Inc. is not registered, and does not have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor.

Our related advisor, Donald Smith, L.P. is registered as a Commodity Trading Advisor (CTA) with the NFA. Our affiliated funds – Donald Smith Value Fund, L.P.; DSCO Value Fund, L.P.; and Donald Smith Futures Fund, L.P. – are each registered as pools with the NFA. The General Partner for our affiliated funds, Donald Smith, LLC, is registered as a Commodity Pool Operator (CPO) with the NFA.

Richard L. Greenberg, Kamal Shah and Ann Cianfrone are registered with the NFA as Principals for the above entities. Kamal Shah, Ann Cianfrone and Jane Park are registered with the NFA as Associated Persons for the above entities.

**C) Other Relationships / Arrangements**

Richard L. Greenberg, CEO and Co-CIO of Donald Smith & Co., Inc., is the General Partner of Donald Smith Value Fund, L.P., DSCO Value Fund, L.P. and Donald Smith Futures Fund, L.P.

Donald Smith Value Fund, L.P. invests, long or short, in all available asset classes, searching for value-driven ideas that are not in conflict with Donald Smith & Co., Inc. client accounts. Potential securities utilized could include equities, fixed income (including, but not limited to, corporate bonds, government securities, convertible bonds), preferreds, warrants, options, futures, currencies, ETFs, closed-end funds, etc.

DSCO Value Fund, L.P. invests long primarily in equities. Other potential securities utilized could include preferreds, warrants, ETFs, etc. Once a month, it automatically replicates all long equity holdings of Donald Smith & Co., Inc. with weights above 0.10%.

Donald Smith Futures Fund, L.P. establishes long and/or short positions in financial (equity and interest rates), currency, and physical commodity futures on futures exchanges worldwide. Other potential instruments utilized include, without any limitation, forward contracts, bonds, equities, preferreds, warrants, options, currencies, swaptions, OTC contracts and closed-end funds. Assets of the Partnership not invested in futures or used as margin may be invested in bonds.

All three funds are subject to our very strict personal trading policies. Again, we are very sensitive to conflicts of interest in all areas of our business and our long-only Donald Smith & Co., Inc. clients come first in terms of our focus and our service.

Donald Smith, L.P. is a related person. It is the investment manager for the above listed funds and is a registered investment advisor with the SEC. Donald Smith & Co., Inc. serves as a sub-advisor to Donald Smith, L.P. In January 2020, DSCO Value Fund, L.P. became a direct client of Donald Smith & Co., Inc. while the other two funds remained direct clients of Donald Smith, L.P. with Donald Smith & Co., Inc. serving as sub-advisor.

Item 10 Other Financial Industry Activities and Affiliations (continued)

**D) Recommendations of Other Investment Managers (not applicable)**

We do not recommend or select other investment advisors for our clients.

As previously stated, we receive one source of compensation – advisory fee payments from our clients, including sub-advisory fees from our related advisor, Donald Smith, L.P. (based on outside investors in the three affiliated Funds).

**A) Code of Ethics**

As we are a Registered Investment Adviser, we are subject to rules and regulations promulgated by the SEC. As a result, we are very diligent and thorough when it comes to monitoring our firm and our people. As we are a boutique firm, by choice, the principals have continuous supervision at all levels. Richard L. Greenberg and Jonathan E. Hartsel oversee all investments. Ann Cianfrone is our Chief Compliance Officer.

Furthermore, each employee has a duty to act in the best interest of the firm. In addition to the various laws and regulations covering our activities, it is clearly in our best interest as a professional investment advisory organization to avoid potential conflicts of interest or even the appearance of such conflict with respect to the conduct of our officers and employees. While it is not possible to anticipate all instances of potential conflict, the standard is clear.

As required under Rule 204A-1, and all subsequent amendments to the Rule, we have a comprehensive Code of Ethics, which includes written policies and procedures designed to ensure our compliance with the rules and to enable us to act in the best interests of our clients. Donald Smith & Co., Inc. has a fiduciary duty to its clients which requires each employee to act solely for the benefit of our clients.

Our Code of Ethics sets forth a standard of business conduct that we require of all supervised personnel. It sets ideals for ethical conduct premised on fundamental principles of openness, integrity, honesty and trust. It conveys the value we place on ethical conduct.

In light of our professional and legal responsibilities, we believe it is appropriate to restate and periodically distribute the firm's Code to all supervised employees. As such, we distribute copies to all new employees on their start date and annually we require all employees to sign a certification that they have read and understand the policies and procedures outlined in our Code of Ethics. Our aim is to be as flexible as possible in our organization and our internal procedures while simultaneously protecting our organization and our clients from the damage that could arise from a situation involving a real or apparent conflict of interest. As a general principle, it is imperative that those who work on behalf of our firm avoid any situation that might compromise, or call into question, their exercise of fully independent judgment in the interests of clients. Any questions regarding the propriety of any activity are directed to the Chief Compliance Officer.

While it is not possible to specifically define and prescribe rules regarding all possible cases in which conflicts might arise, our Code is designed to set forth policies regarding employee conduct in those situations in which conflicts are most likely to develop. The following are four fundamental fiduciary principles that govern personal investment activities at our firm:

- A. The interests of our clients must come first. In any decision relating to your personal investments, you must scrupulously avoid serving your own interests ahead of those of our clients;
- B. Personal investments should comport with both the letter and the spirit of this Code, and should avoid any actual or potential conflicts of interest;
- C. Supervised persons should not take inappropriate advantage of their position; and



D. Supervised persons must comply with applicable federal securities laws. Our Code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield supervised personnel from liability for personal trading or other conduct that violates a fiduciary duty to our clients.

A copy of our complete Code of Ethics is available to any client or prospective client upon request.

**B) Recommendations with Material Financial Interest (not applicable)**

Neither Donald Smith & Co., Inc. nor any of our related persons recommends to clients, or buys and sells for client accounts, securities in which they or any related person to them has a material financial interest.

**C) Personal Trading**

We have very strict personal trading policies and procedures which are detailed in our Code of Ethics. Specifically, all Access Persons are required to “preclear” all personal securities transactions prior to execution through the compliance department for all accounts in which they have direct or indirect beneficial interest. This includes bonds, stocks (including closed-end funds), ETFs, reportable funds, convertibles, preferreds, options on securities, warrants, rights, etc. for domestic and foreign Securities whether publicly traded or privately placed. The compliance department may also require non-Access Persons to preclear personal securities transactions as he or she may deem necessary and appropriate for compliance with our Code. In addition, the compliance department can withdraw the approval any time, given a rise in conflict of interest as a result of unexpected events taking place regarding the specific security or regarding any client.

At the end of each quarter, all employees sign an acknowledgement that they submitted all personal transactions for pre-clearance for the preceding quarter as required.

Additionally, all Access Persons are required to have duplicate statements for all direct and indirect personal account(s) sent directly to the compliance department. These statements are checked against our Personal Trading Log which is continuously monitored by compliance personnel and updated with each preclearance request. In 1Q19 our procedures for the personal statement reviews were updated to allow for electronic record-keeping and storage. Statements are received in hard copy, then scanned in and saved to our network. The files are then reviewed by our CCO who signs for approval and notes any issues found.

Our clients always come first in both our service and our trading.

**D) Buying Alongside Clients**

As stated in Item 10, C., Richard L. Greenberg is a General Partner in three investment partnerships.

DSCO Value Fund, L.P. (DSCO Value) buys and sells alongside the Donald Smith & Co., Inc. (DSCO) clients only on an automated once-a-month basis. On the first day of each month, the long portfolio for DSCO Value is rebalanced against the month-end holdings for the DSCO clients.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading (continued)

All transactions for Donald Smith Value Fund, L.P. (DSVF) and Donald Smith Futures Fund (DSFF) are in securities that are not eligible for the DSCO clients' portfolios, including shorts, options, bonds, futures currencies, etc. DSVF may also potentially hold securities held by DSCO clients. In such instances, DSVF is subject to our strict personal trading policies and procedures and is not allowed to trade ahead of DSCO clients.

Again, DSCO clients always come first.

**A) Factors Considered in Broker Selection/Recommendation**

We trade for best execution in order to maximize client performance. As a majority of our stocks have relatively low volumes, we look for natural supply or demand on the other side of any trade. As a result, the selection of a broker/dealer is primarily driven by its ability to find liquidity on any given trade. We try to access all liquidity pools, including various alternative trading sites. This helps us lower our total trading costs, including the lowering of explicit commission costs.

In terms of broker selection, we have an approved broker list. This list has been prepared and approved by the trading desk and the portfolio managers, including Richard Greenberg, Co-CIO. This list includes execution brokers, client-directed brokers and soft-dollar brokers. These brokers are monitored on a daily basis by the trading desk on each trade execution, being mindful of trade execution price, VWAP, the ability and the time to complete the trade, market impact, liquidity etc. The trading desk continuously monitors and probes the sell-side traders to achieve trade executions that maximize the value of client portfolios.

In addition to this daily review we conduct formal best execution meetings on a quarterly basis. Every quarter the CCO meets with the Head Trader, Co-CIO and Director of Client Relations to review the approved broker list which contains the amount of commissions generated year-to-date. Discussions include the performance of each broker, the target and actual commission levels year-to-date, the level of service received, etc. Factors considered in broker evaluation include the broker's ability to minimize total trading costs, level of trading expertise, infrastructure, service(s) provided, etc. Any underperforming broker is eliminated from the approved broker list. New brokers can be added by the trading desk after consulting with the portfolio managers. These reviews are formally documented in our compliance department.

**1. Research and Other Soft Dollar Benefits**

We use client commissions to pay for proprietary and third-party research and market data services. These services are crucial, and strictly and clearly help us in our research and portfolio management processes for our clients. None of these services cover expenses such as overhead, administrative expenses, exam review courses, association membership dues, legal expenses, or items such as travel, meals, hotel, and entertainment expenses associated with attending a research seminar or conference. We have four mixed-use services for both research and administration. The services are Indata, a portfolio and performance measurement system, FTSE Russell, ISS, and Trade Cost Analysis Services (TCA) with Abel Noser Solutions. The portion used for portfolio management for each service is paid with commission while the portion used for client service is paid in cash. We have reasonably and appropriately made the allocation between portfolio management and administration for these services. Further, all clients benefit from these services regardless of whether they allow us to utilize soft dollar transactions in their accounts.

- a. When using client brokerage commissions to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services.
- b. Using client brokerage commissions to obtain research or other products may present an incentive to select or recommend a broker-dealer based on the firm's

Item 12 Brokerage Practices (continued)

interest in receiving the research or other products or services rather than our client's interest.

We are very conscious of this potential conflict of interest and have put in place the above-mentioned policies and procedures to monitor broker selection and executions. We believe these policies and procedures allow us to achieve trade executions that maximize the value of our clients' portfolios.

- c. Commissions charged by soft-dollar brokers may be higher than those charged by other broker-dealers.

We are sensitive to this fact and continuously monitor our trading for our clients to ensure that overall we are providing the best possible executions and average commission cost.

- d. Specific products and services received through client commissions (soft-dollars) include:

Indata (mixed-use; description above);  
Bloomberg;  
Telemet Quote System;  
NYSE Quotes;  
Capital IQ Research;  
Berge Letter (research);  
FTSE Russell (mixed-use; description above);  
FT Interactive Data (pricing);  
Omgeo (DTC confirmations);  
Strategas Research;  
RussellTick Real Time Data;  
ISS (mixed use; description above);  
TSX / TMX;  
Zellman & Associates (research); and  
Abel Noser Solutions TCA (mixed-use; description above)

Note, all research, products and services received through client commissions qualify for safe harbor in section 28(e) of the Securities Exchange Act of 1934.

- e. During the last fiscal year we utilized quarterly review meetings and daily monitoring by the trading desk to ensure that our soft dollar trades were executed fairly and in the best interests of our clients.

**2. Brokerage for Client Referrals**

Neither Donald Smith & Co., Inc. nor any of our related persons receives client referrals from a broker-dealer or third party.

**3. Directed Brokerage**

- a. Donald Smith & Co., Inc. does not recommend, request or require clients to direct transactions through a specified broker-dealer.
- b. We do permit clients to direct brokerage. If we are directed by a client, we can

Item 12 Brokerage Practices (continued)

usually direct up to 20 percent in client-directed trades, provided we have a choice of at least 3 - 5 brokers with good trading capabilities.

Directing brokerage may cost clients more money. For example, in a directed brokerage account, a client may pay higher brokerage commissions because we are not able to aggregate orders to reduce transaction costs, or the directed broker might execute the transactions at less favorable prices than a non-directed broker would be able to obtain.

**4. MiFID II Compliance**

In 4Q 2018 we gained a European client subject to MiFID II rules and regulations. Accordingly, we added two new policies to our compliance program:

- a. Transaction Cost Analysis
- b. Trade Reconstruction

We will continue to monitor this area to ensure we maintain compliance with both the SEC and MiFID II for European client(s).

**B) Trade Aggregation**

We manage separate, individual portfolios, each containing various guidelines and restrictions regarding cash levels, market capitalization, foreign securities, maximum position, etc. To gain maximum efficiency in our trading, we have a centralized trading desk. Some of our trade orders are allocated to single accounts. Generally, however, we aggregate the allocations on orders in similar securities for clients with similar investment objectives and similar mandates. As previously mentioned (see Item 6), in 1Q 2018 we initiated a new procedure for trade allocations. An initial allocation statement is created in Excel for each new order ticket generated. The allocation statement shows the planned allocation for all shares on the ticket. To the extent that there are subsequent deviations from this initial allocation plan, those are noted at the bottom of the allocation statement.

We are aware of the potential conflicts of interests among clients and have adopted policies to ensure fairness to all clients.

Trade allocation decisions are generally based on client guidelines and restrictions (e.g. cash, foreign securities and market capitalization restrictions).

In allocating purchases between similar clients, one or more clients may go first if cash relative to a specific guideline is higher than other client portfolios or if exposure to a sector, industry, and/or the purchased security relative to a specific client guideline is less than other clients. In allocating sales, one or more clients may go first if cash relative to a specific guideline is lower than other client portfolios or if exposure to a sector, industry, and/or the purchased security relative to a specific guideline is greater than other clients. In cases of block trading, purchases and sales are generally spread proportionately among remaining appropriate clients, depending upon asset size.

To the best of our abilities, we try to allocate a potential trade to all appropriate accounts before trade execution. Portfolio management is a dynamic and time-sensitive exercise and as a result, there are instances when allocations are done post-trade.

**A) Client Account Reviews**

We obtain monthly account statements for each client from their respective custodian and reconcile the holdings, cash and transactions to our records. We also sub-advise for two funds and conduct daily cash reconciliations for these accounts in addition to our month-end account reviews and holdings reconciliations.

Any discrepancies are worked out immediately with the client's custodian.

In addition to our reconciliations, client accounts are monitored daily against their guidelines and restrictions to ensure each account is in compliance. These guidelines and restrictions are also embedded in our order management system, Indata. Compliance checks are done automatically at the time executions are entered into the system. Any compliance issues that occur are corrected immediately, prior to posting the trade and sending the details over OASYS for settlement with the brokers on DTC. Trades executed on local markets for our Global Equity clients are processed internally with different procedures to account for foreign exchange rates. As a result, compliance checks for these trades are conducted manually prior to the creation of the order ticket(s).

Reconciliations are performed by our back-office personnel and the constant monitoring of client guidelines is performed by both our Head Trader and CCO.

**B) Factors That Trigger Non-Periodic Reviews**

If a client requests a review of any specific area of their account, we will do so in addition to our normal review processes described above.

**C) Content and Frequency of Reports to Clients**

We send monthly client letters to all clients along with a statement of their account performance and holdings. The client letters discuss a general topic such as our current views on the economy, or a particular sector or current happenings and their potential investment impact.

We also provide other periodic client reporting (e.g. commentaries, portfolio characteristics, etc.) by account if the client requests.

All of the above reports are written.

Item 14 Client Referrals and Other Compensation

**A) Economic Benefits from Third Parties (not applicable)**

Donald Smith & Co., Inc. does not receive any economic benefits from non clients for providing investment advice or other advisory services to our clients.

**B) Compensation of Non-Supervised Persons (not applicable)**

Neither Donald Smith & Co., Inc. nor any of our related persons directly or indirectly compensates any non-supervised person for client referrals.

## Item 15 Custody

Donald Smith & Co., Inc. (DSCO) is a related advisor and sub-advisor to Donald Smith, L.P. (DSLPL). Both entities are affiliates of the General Partner for the clients of DSLPL and as a result are deemed to have custody over those assets.

Donald Smith & Co., Inc. does not have custody of any funds or securities for its direct clients. Each DSCO client chooses a custodian without our assistance or advice and this custodian maintains custody of the assets. Clients are free to change custodians whenever they choose.

We send out monthly account statements to each client with our monthly client letters. These are separate from and in addition to the statements clients receive from their custodian.

We strongly urge all clients to compare the account statements they receive from us with the statements received by their qualified custodian.



#### Item 16 Investment Discretion

We only accept 100% discretionary accounts. We allow for each client to place guidelines and restrictions on their accounts, including restrictions on specific securities/sectors/industries, but we do not allow limitations on our discretionary authority.

Prior to assuming full discretionary authority over a client's account we sign a mutually agreed upon contract detailing the legal aspects of the relationship.

## Item 17 Voting Client Securities

### **A) Proxy Voting Policies and Procedures**

As our primary goal is to maximize the value of our clients' investment portfolios, we maintain a proxy voting policy that best serves the interest of our clients in their capacity as shareholders of a company. We believe this policy is in accordance with the SEC Guidelines that an investment adviser's primary responsibility as a fiduciary is to vote in the best interest of its clients.

We normally vote in support of company management on "routine" proposals, but vote against proposals that we believe would negatively impact the long-term value of our clients' share of a company. We vote against almost all proposals that would hinder the realization of maximum value for shareholders.

More specifically we vote for:

1. Confidential voting.
2. Shareholders must approve any poison pills or rights plan.
3. Shareholders' right to exercise an annual non-binding approval vote on executive compensation.
4. Annual election of Directors and against staggered Boards.
5. Cumulative voting.
6. Maintaining liability of Directors for gross negligence and malfeasance.
7. Vote against large dilution of shareholders, except company specific exceptions.
8. To review carefully all mergers. We will specifically focus on mergers that dilute tangible book value and vote against those managements that engage in such acquisitive activity.
9. Proxy access for shareholders, or groups or shareholders, of significant size and length of ownership.

The examples above are provided to give a general indication on how we vote our proxies on certain issues. These examples do not address all potential voting issues or the intricacies that may surround individual proxy votes. Therefore, actual proxy votes may differ from the guidelines presented. We also subscribe to ISS proxy research to aid in our decision making when casting our proxy votes.

We do not allow clients who have given us authority to vote proxies on their behalf to direct our votes in any solicitations, though any client may contact us to provide their opinions on the matter(s) to be voted on. We are always sensitive to conflicts of interest and always vote according to what we believe is in our clients' best interests.

Clients may obtain information on the proxies voted on their behalf at any time. A copy of our Proxy Voting Policy and Procedures is always available upon request as well.

Item 17 Voting Client Securities (continued)

**B) Non-Authority to Vote**

We are given the authority to vote proxies for the majority of our clients. Some clients choose to maintain that authority themselves or grant it to their custodian. In these cases, the client will receive proxies and other solicitations directly from their custodian or a transfer agent.

These clients do have the option to contact us (via phone or email) with any questions regarding solicitations they receive.

Item 18 Financial Information

**A) Prepayment of Investment Management Fees (not applicable)**

Donald Smith & Co., Inc. does not require, solicit or accept prepayment of investment management fees from clients. Beginning in January 2020, DSCO Value Fund, L.P. is a direct client of Donald Smith & Co., Inc. If the fund gains outside, fee-paying investors, the 1.25% annual flat management fees will be paid monthly directly to Donald Smith & Co., Inc. The fees will be calculated by the fund's administrator, ALPS, a DST Company.

**B) Financial Condition**

We have discretionary authority over all of our clients' accounts. We do not know of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients.

Again, we do not require or accept prepayment of investment management fees. One exception is that DSCO Value Fund, L.P. will pay management fees on a monthly basis, in the month the fees are earned, if outside fee-paying investors subscribe to the fund.

**C) Bankruptcy Petition (not applicable)**

Donald Smith & Co., Inc. has not been the subject of a bankruptcy petition at any time during the past ten years, nor since its inception.

Item 19 Requirements for State Registered Advisors

**Not Applicable.**

Donald Smith & Co., Inc. is not registered or required to register with any state securities authorities.

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**Part 2B of Form ADV: *Brochure Supplement***

Item 1 Cover Page

**Supervised Person:**

RICHARD L. GREENBERG  
Chief Executive Officer and Co-Chief Investment Officer  
Donald Smith & Co., Inc.  
Carnegie Hall Tower  
152 West 57<sup>th</sup> Street, 22<sup>nd</sup> Floor  
New York, NY 10019  
Tel: (212) 284-0995

**Firm:**

DONALD SMITH & CO., INC.  
Carnegie Hall Tower  
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Tel: (212) 284-0990 \* Fax: (212) 284-0998

Email: [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com)

Website: [www.donaldsmithandco.com](http://www.donaldsmithandco.com)

Date of Brochure Supplement: March 31, 2020

**This brochure supplement provides information about Richard L. Greenberg that supplements the Donald Smith & Co., Inc. brochure. You should have received a copy of that brochure. Please contact us at (212) 284-0990 or [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com) if you did not receive Donald Smith & Co., Inc.'s brochure or if you have any questions about the contents of this supplement.**

## Item 2 Educational Background and Business Experience

**RICHARD LAWRENCE GREENBERG.** Born 09/13/1957.

Mr. Greenberg began his investment industry career at Home Insurance Co. as an industry analyst, focusing primarily on the metals, banking and housing sectors. He graduated Phi Beta Kappa from SUNY (Binghamton) with a B.A. in psychology, and received his MBA from Wharton Business School. Mr. Greenberg is also a CFA Charterholder<sup>(1)</sup>.

A summary of Mr. Greenberg's Educational Background and Business Experience is:

S.U.N.Y. Binghamton	1975-79	B.A. Psychology
Wharton Business School	1979-81	M.B.A.
Home Insurance Co.	1981-83	Industry Specialist
Donald Smith & Co., Inc.	1981-Present	CEO & Co-CIO

### Minimum Requirements for Professional Designations

<sup>(1)</sup> Minimum requirements for Chartered Financial Analyst (CFA) include holding or being in the final year of a university degree (or equivalent as assessed by CFA Institute), or having four years of qualified, professional work experience in an investment decision-making process. To obtain the charter, however, a candidate must have completed a university degree (or equivalent) *and* four years of qualified, professional work experience, in addition to passing the three exams that test the academic portion of the CFA program. All three levels have a strong emphasis on ethics. The material differences among the exams are:

- The Level I study program emphasizes tools and inputs, and includes an introduction to asset valuation, financial reporting and analysis, and portfolio management techniques.
- The Level II study program emphasizes asset valuation, and includes applications of the tools and inputs (including economics, financial reporting and analysis, and quantitative methods) in asset valuation.
- The Level III study program emphasizes portfolio management, and includes strategies for applying the tools, inputs, and asset valuation models in managing equity, fixed income, and derivative investments for individuals and institutions.



Item 3 Disciplinary Information

No material legal or disciplinary events for Richard L. Greenberg.

Item 4 Other Business Activities

**A) Other Investment-Related Businesses / Registrations**

Richard L. Greenberg, CEO and Co-CIO of Donald Smith & Co., Inc., is the General Partner in Donald Smith Value Fund, L.P., DSCO Value Fund, L.P. (formerly Donald Smith Long/Short Equities Fund, L.P.) and Donald Smith Futures Fund, L.P.

Donald Smith Value Fund, L.P. invests, long or short, in all available asset classes, searching for value-driven ideas that are not in conflict with Donald Smith & Co., Inc. client accounts. Potential securities utilized could include equities, fixed income (including, but not limited to, corporate bonds, government securities, convertible bonds), preferreds, warrants, options, futures, currencies, ETFs, closed-end funds, etc.

DSCO Value Fund, L.P. invests long primarily in equities. Other potential securities utilized could include preferreds, warrants, ETFs, etc. Once a month, it automatically replicates all long equity holdings of Donald Smith & Co., Inc. with weights above 0.10%.

Donald Smith Futures Fund, L.P. establishes long and/or short positions in financial (equity and interest rates), currency, and physical commodity futures on futures exchanges worldwide. Other potential instruments utilized could include, without any limitation, forward contracts, bonds, equities, preferreds, warrants, options, currencies, swaptions, OTC contracts and closed-end funds. Assets of the Partnership not invested in futures or used as margin may be invested in bonds.

The investment advisor to the above mentioned funds, Donald Smith, L.P., is a related advisor of Donald Smith & Co., Inc. It is a registered investment advisor with the SEC.

Richard L. Greenberg is currently registered as a Principal of a commodity pool operator (Donald Smith, LLC) and a commodity trading advisor (Donald Smith, L.P.). Richard L. Greenberg is not currently registered or planning to register as a broker-dealer, registered representative of a broker-dealer or futures commission merchant ("FCM"), or an associated person of an FCM, CPO or CTA.

**1. Material Conflicts of Interest for Clients**

All funds are subject to our very strict personal trading policies and never take precedence over the Donald Smith & Co., Inc. clients. We are very sensitive to conflicts of interest in all areas of our business and our long-only Donald Smith & Co., Inc. clients always come first in terms of our focus and our service.

**2. Commissions, Bonuses or Other Compensation Received**

Donald Smith, L.P., the investment manager of the three funds mentioned above, receives management fees. Donald Smith, LLC, the general partner of the three funds, receives incentive fees. All profits are distributed to the owners, which includes Richard L. Greenberg.

**B) Other Non-Investment-Related Businesses for Compensation (not applicable)**

Richard L. Greenberg is not actively engaged in other business or occupation for compensation not discussed in Item 4.A above.

Item 5 Additional Compensation

Richard L. Greenberg does not receive any economic benefits for providing advisory services to non-clients other than his regular salary.

Item 6 Supervision

Our investment professionals work as a team with Richard L. Greenberg as the team leader. A benefit of our team-based approach and the size and structure of our firm is that there is constant supervision over all employees' actions and continual flow of information among all the departments.

**Supervisor for Richard L. Greenberg:**

Jonathan E. Hartsel, Co-Chief Investment Officer and Director of Research  
(212) 284-0994

Item 7 Requirements for State-Registered Advisors (Not Applicable)

Not applicable. Richard L. Greenberg is not registered or required to register with any state securities authorities.

**Part 2B of Form ADV: Brochure Supplement**

Item 1 Cover Page

**Supervised Person:**

JONATHAN EDWARD HARTSEL  
Co-Chief Investment Officer and Director of Research  
Donald Smith & Co., Inc.  
Carnegie Hall Tower  
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Tel: (212) 284-0994

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DONALD SMITH & CO., INC.  
Carnegie Hall Tower  
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Website: [www.donaldsmithandco.com](http://www.donaldsmithandco.com)

Date of Brochure Supplement: March 31, 2020

**This brochure supplement provides information about Jonathan E. Hartsel that supplements the Donald Smith & Co., Inc. brochure. You should have received a copy of that brochure. Please contact us at (212) 284-0990 or [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com) if you did not receive Donald Smith & Co., Inc.'s brochure or if you have any questions about the contents of this supplement.**

## Item 2 Educational Background and Business Experience

**JONATHAN EDWARD HARTSEL.** Born 11/30/1972.

Mr. Hartsel previously worked for the Federal Reserve Board of Governors, Goldman Sachs and Banc of America Securities and has experience with energy companies, utilities and financial institutions. He received a B.A. in Economics from William & Mary and an MBA from Columbia Business School. He is also a CFA Charterholder<sup>(1)</sup>.

A summary of Mr. Hartsel's Educational Background and Business Experience is:

William & Mary	1991-95	B.A. Economics
Columbia Business School	1998-00	M.B.A.
Fed. Reserve Board of Gov.	1995-97	Research Assistant
Goldman Sachs	2000-01	Investment Banking Associate
Banc of America Securities	2001-03	Investment Banking Associate
Donald Smith & Co., Inc.	2003-Present	Co-CIO

### Minimum Requirements for Professional Designations

<sup>(1)</sup> Minimum requirements for Chartered Financial Analyst (CFA) include holding or being in the final year of a university degree (or equivalent as assessed by CFA Institute), or having four years of qualified, professional work experience in an investment decision-making process. To obtain the charter, however, a candidate must have completed a university degree (or equivalent) *and* four years of qualified, professional work experience, in addition to passing the three exams that test the academic portion of the CFA program. All three levels have a strong emphasis on ethics. The material differences among the exams are:

- The Level I study program emphasizes tools and inputs, and includes an introduction to asset valuation, financial reporting and analysis, and portfolio management techniques.
- The Level II study program emphasizes asset valuation, and includes applications of the tools and inputs (including economics, financial reporting and analysis, and quantitative methods) in asset valuation.
- The Level III study program emphasizes portfolio management, and includes strategies for applying the tools, inputs, and asset valuation models in managing equity, fixed income, and derivative investments for individuals and institutions.

Item 3 Disciplinary Information

No material legal or disciplinary events for Jonathan E. Hartsel.



Item 4 Other Business Activities

**A) Other Investment-Related Businesses / Registrations**

Jonathan E. Hartsel is not currently registered or planning to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”) or an associated person of an FCM, CPO or CTA.

Donald Smith, L.P. is a related advisor to Donald Smith & Co., Inc. It is a registered investment advisor with the SEC.

**1. Material Conflicts of Interest for Clients**

None.

**2. Commissions, Bonuses or Other Compensation Received**

Jonathan E. Hartsel has a profits interest in the investment manager (Donald Smith, L.P.) and general partner (Donald Smith, LLC) of the three investment partnerships, which receive management and incentive fees, respectively. All profits for both entities are distributed to the owners.

**B) Other Non-Investment-Related Businesses for Compensation (not applicable)**

Jonathan E. Hartsel is not actively engaged in other business or occupation for compensation not discussed in Item 4.A above.

Item 5 Additional Compensation

Jonathan E. Hartsel does not receive any economic benefits for providing advisory services to non-clients other than his regular salary.

Item 6 Supervision

Our investment professionals work as a team with Richard L. Greenberg as the team leader. A benefit of our team-based approach and the size and structure of our firm is that there is constant supervision over all employees' actions and continual flow of information among all the departments.

**Supervisor for Jonathan E. Hartsel:**

Richard L. Greenberg, Chief Executive Officer and Co-Chief Investment Officer  
(212) 284-0995

Item 7 Requirements for State-Registered Advisors (Not Applicable)

Not applicable. Jonathan E. Hartsel is not registered or required to register with any state securities authorities.

**Part 2B of Form ADV: *Brochure Supplement***

Item 1 Cover Page

**Supervised Person:**

KAMAL SHAH

Vice President; Macro Analyst/Head Trader  
Donald Smith & Co., Inc.  
Carnegie Hall Tower  
152 West 57<sup>th</sup> Street, 22<sup>nd</sup> Floor  
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Email: [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com)

Website: [www.donaldsmithandco.com](http://www.donaldsmithandco.com)

Date of Brochure Supplement: March 31, 2020

**This brochure supplement provides information about Kamal Shah that supplements the Donald Smith & Co., Inc. brochure. You should have received a copy of that brochure. Please contact us at (212) 284-0990 or [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com) if you did not receive Donald Smith & Co., Inc.'s brochure or if you have any questions about the contents of this supplement.**

## Item 2 Educational Background and Business Experience

**KAMAL SHAH.** Born 09/13/1971.

Mr. Shah began his career as an auditor at Deloitte & Touche LLP where he focused on mutual funds and investment partnerships. He then became a Junior Analyst with Advest Securities. Most recently, he was an Analyst in Computer/Telecom Software with C.E. Unterberg, Towbin. Mr. Shah graduated from Pace University with a combined BBA/MBA in Accounting. He is a CFA Charterholder <sup>(1)</sup>.

A summary of Mr. Shah's Educational Background and Business Experience is:

Pace University	1989-94	BBA/MBA in Accounting
Deloitte & Touche LLP	1994-98	Auditor
Advest Securities	1998-98	Junior Analyst
C.E. Unterberg, Towbin	1999-01	Security Analyst
Donald Smith & Co., Inc.	2001-Present	Vice President

### Minimum Requirements for Professional Designations

<sup>(1)</sup> Minimum requirements for Chartered Financial Analyst (CFA) include holding or being in the final year of a university degree (or equivalent as assessed by CFA Institute), or having four years of qualified, professional work experience in an investment decision-making process. To obtain the charter, however, a candidate must have completed a university degree (or equivalent) *and* four years of qualified, professional work experience, in addition to passing the three exams that test the academic portion of the CFA program. All three levels have a strong emphasis on ethics. The material differences among the exams are:

- The Level I study program emphasizes tools and inputs, and includes an introduction to asset valuation, financial reporting and analysis, and portfolio management techniques.
- The Level II study program emphasizes asset valuation, and includes applications of the tools and inputs (including economics, financial reporting and analysis, and quantitative methods) in asset valuation.
- The Level III study program emphasizes portfolio management, and includes strategies for applying the tools, inputs, and asset valuation models in managing equity, fixed income, and derivative investments for individuals and institutions.

Item 3 Disciplinary Information

No material legal or disciplinary events for Kamal Shah.

Item 4 Other Business Activities

**A) Other Investment-Related Businesses / Registrations**

Kamal Shah is currently registered as a Principal and an Associated Person of a commodity pool operator (CPO) (Donald Smith, LLC) and a commodity trading advisor (CTA) (Donald Smith, L.P.). Kamal Shah is not currently registered or planning to register as a broker-dealer, registered representative of a broker-dealer or futures commission merchant ("FCM"), or an associated person of an FCM.

Donald Smith, L.P. is a related advisor to Donald Smith & Co., Inc. It is a registered investment advisor with the SEC.

**1. Material Conflicts of Interest for Clients**

The funds associated with Donald Smith, LLC and Donald Smith, L.P., as CPO and CTA, respectively, are subject to our very strict personal trading policies and never take precedence over the Donald Smith & Co., Inc. clients. We are very sensitive to conflicts of interest in all areas of our business and our long-only Donald Smith & Co., Inc. clients always come first in terms of our focus and our service.

**2. Commissions, Bonuses or Other Compensation Received**

Kamal Shah has a profits interest in the investment manager (Donald Smith, L.P.) and general partner (Donald Smith, LLC) of the three investment partnerships, which receive management and incentive fees, respectively. All profits are distributed to the owners.

**B) Other Non-Investment-Related Businesses for Compensation (not applicable)**

Kamal Shah is not actively engaged in other business or occupation for compensation not discussed in Item 4.A above.



Item 5 Additional Compensation

Kamal Shah does not receive any economic benefits for providing advisory services to non-clients other than his regular salary.

Item 6 Supervision

Our investment professionals work as a team with Richard L. Greenberg as the team leader. A benefit of our team-based approach and the size and structure of our firm is that there is constant supervision over all employees' actions and continual flow of information among all the departments.

**Supervisor for Kamal Shah:**

Richard L. Greenberg, Chief Executive Officer and Co-Chief Investment Officer  
(212) 284-0995

Item 7 Requirements for State-Registered Advisors (Not Applicable)

Not applicable. Kamal Shah is not registered or required to register with any state securities

**Part 2B of Form ADV: Brochure Supplement**

Item 1 Cover Page

**Supervised Person:**

JOHN DAVID PIERMONT  
Research Analyst  
Donald Smith & Co., Inc.  
Carnegie Hall Tower  
152 West 57<sup>th</sup> Street, 22<sup>nd</sup> Floor  
New York, NY 10019  
Tel: (212) 284-0992

**Firm:**

DONALD SMITH & CO., INC.  
Carnegie Hall Tower  
152 West 57<sup>th</sup> Street, 22<sup>nd</sup> Floor  
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Website: [www.donaldsmithandco.com](http://www.donaldsmithandco.com)

Date of Brochure Supplement: March 31, 2020

**This brochure supplement provides information about John Piermont that supplements the Donald Smith & Co., Inc. brochure. You should have received a copy of that brochure. Please contact us at (212) 284-0990 or [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com) if you did not receive Donald Smith & Co., Inc.'s brochure or if you have any questions about the contents of this supplement.**

## Item 2 Educational Background and Business Experience

**JOHN DAVID PIERMONT.** Born 04/22/1981.

Mr. Piermont previously worked as a Vice President at Citi Institutional Consulting, a division of Smith Barney that he co-founded in 2005. Prior to CIC, he was an Assistant Vice President in the Smith Barney Strategy and Finance Group. Mr. Piermont received an A.B. in Economics from Dartmouth College and a MBA from Columbia Business School where he was a member of the value investing program. He is also a CFA Charterholder<sup>(1)</sup>.

A summary of Mr. Piermont's Educational Background and Business Experience is:

Dartmouth College	1999-03	AB in Economics
Smith Barney Strategy/ Finance	2003-05	Assistant Vice President
Citi Institutional Consulting	2005-08	Vice President
Columbia Business School	2008-10	MBA
Donald Smith & Co., Inc.	2010-Present	Research Analyst

### Minimum Requirements for Professional Designations

<sup>(1)</sup> Minimum requirements for Chartered Financial Analyst (CFA) include holding or being in the final year of a university degree (or equivalent as assessed by CFA Institute), or having four years of qualified, professional work experience in an investment decision-making process. To obtain the charter, however, a candidate must have completed a university degree (or equivalent) *and* four years of qualified, professional work experience, in addition to passing the three exams that test the academic portion of the CFA program. All three levels have a strong emphasis on ethics. The material differences among the exams are:

- The Level I study program emphasizes tools and inputs, and includes an introduction to asset valuation, financial reporting and analysis, and portfolio management techniques.
- The Level II study program emphasizes asset valuation, and includes applications of the tools and inputs (including economics, financial reporting and analysis, and quantitative methods) in asset valuation.
- The Level III study program emphasizes portfolio management, and includes strategies for applying the tools, inputs, and asset valuation models in managing equity, fixed income, and derivative investments for individuals and institutions.

Item 3 Disciplinary Information

No material legal or disciplinary events for John D. Piermont.

Item 4 Other Business Activities

**A) Other Investment-Related Businesses / Registrations**

John D. Piermont is not currently registered or planning to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”) or an associated person of an FCM, CPO or CTA.

Donald Smith, L.P. is a related advisor to Donald Smith & Co., Inc. It is a registered investment advisor with the SEC.

**1. Material Conflicts of Interest for Clients**

None.

**2. Commissions, Bonuses or Other Compensation Received**

John D. Piermont has a profits interest in the investment manager (Donald Smith, L.P.) and general partner (Donald Smith, LLC.) of the three investment partnerships, which receive management and incentive fees, respectively. All profits are distributed to the owners.

**B) Other Non-Investment-Related Businesses for Compensation (not applicable)**

John D. Piermont is not actively engaged in other business or occupation for compensation not discussed in Item 4.A above.

Item 5 Additional Compensation

John D. Piermont does not receive any economic benefits for providing advisory services to non-clients other than his regular salary.



Item 6 Supervision

Our investment professionals work as a team with Richard L. Greenberg as the team leader. A benefit of our team-based approach and the size and structure of our firm is that there is constant supervision over all employees' actions and continual flow of information among all the departments.

**Supervisor for John D. Piermont:**

Richard L. Greenberg, Chief Executive Officer and Co-Chief Investment Officer  
(212) 284-0995

Item 7 Requirements for State-Registered Advisors (Not Applicable)

Not applicable. John D. Piermont is not registered or required to register with any state securities authorities.

**Part 2B of Form ADV: *Brochure Supplement***

Item 1 Cover Page

**Supervised Person:**

JEFFREY ELIOT PUTNAM  
Research Analyst  
Donald Smith & Co., Inc.  
Carnegie Hall Tower  
152 West 57<sup>th</sup> Street, 22<sup>nd</sup> Floor  
New York, NY 10019  
Tel: (212) 284-0992

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Website: [www.donaldsmithandco.com](http://www.donaldsmithandco.com)

Date of Brochure Supplement: March 31, 2020

**This brochure supplement provides information about Jeffrey E. Putnam that supplements the Donald Smith & Co., Inc. brochure. You should have received a copy of that brochure. Please contact us at (212) 284-0990 or [compliance@donaldsmithandco.com](mailto:compliance@donaldsmithandco.com) if you did not receive Donald Smith & Co., Inc.'s brochure or if you have any questions about the contents of this supplement.**

Item 2 Educational Background and Business Experience

**JEFFREY ELIOT PUTNAM.** Born 11/20/1989.

Mr. Putnam previously worked in investment banking at UBS where he focused on Power & Utilities. He also worked as an investment associate at Leaf Capital Management, a private equity fund focused on clean energy/infrastructure investments, and as a summer analyst at Elliott Management. He received a B.A. in Economics with honors from Williams College and an MBA from the Wharton School.

A summary of Mr. Putnam's Educational Background and Business Experience is:

Williams College	2007-11	B.A. Economics
UBS	2011-13	Analyst
Leaf Capital Management	2013-15	Associate
Wharton Business School	2015-17	M.B.A.
Elliott Management	2016-16	Summer Analyst
Donald Smith & Co., Inc.	2017-Present	Research Analyst

Minimum Requirements for Professional Designations

Item 3 Disciplinary Information

No material legal or disciplinary events for Jeffrey E. Putnam.

Item 4 Other Business Activities

**A) Other Investment-Related Businesses / Registrations**

Jeffrey E. Putnam is not currently registered or planning to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”) or an associated person of an FCM, CPO or CTA.

Donald Smith, L.P. is a related advisor to Donald Smith & Co., Inc. It is a registered investment advisor with the SEC.

**1. Material Conflicts of Interest for Clients**

None.

**2. Commissions, Bonuses or Other Compensation Received**

Jeffrey E. Putnam has a profits interest in the investment manager (Donald Smith, L.P.) and general partner (Donald Smith, LLC.) of the three investment partnerships, which receive management and incentive fees, respectively. All profits are distributed to the owners.

**B) Other Non-Investment-Related Businesses for Compensation (not applicable)**

Jeffrey E. Putnam is not actively engaged in other business or occupation for compensation not discussed in Item 4.A above.

Item 5 Additional Compensation

Jeffrey E. Putnam does not receive any economic benefits for providing advisory services to non-clients other than his regular salary.

Item 6 Supervision

Our investment professionals work as a team with Richard L. Greenberg as the team leader. A benefit of our team-based approach and the size and structure of our firm is that there is constant supervision over all employees' actions and continual flow of information among all the departments.

**Supervisor for Jeffrey E. Putnam:**

Richard L. Greenberg, Chief Executive Officer and Co-Chief Investment Officer  
(212) 284-0995



Item 7 Requirements for State-Registered Advisors (Not Applicable)

Not applicable. Jeffrey E. Putnam is not registered or required to register with any state securities authorities.