

## **Form ADV Part 2A – Brochure**

**Keeley-Teton Advisors, LLC**  
**141 W. Jackson Blvd., Suite 2150**  
**Chicago, IL 60604**  
**(312) 786-5000**  
**[www.tetonadv.com](http://www.tetonadv.com)**

## **Form ADV Part 2A – Brochure**

**Effective June 5, 2025**

**This Brochure provides information about the qualifications and business practices of Keeley-Teton Advisors, LLC (“The Advisor”). If you have any questions about the contents of this Brochure, please contact us at (312) 786-5000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any State securities authority.**

**The Advisor is an investment adviser registered with the SEC under the Investment Advisers Act of 1940. Registration as an investment adviser does not imply any level of skill or training.**

**Additional information about The Advisor is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2. Material Changes**

---

As part of this update dated June 5, 2025, we have made material changes to reflect the sale of investment management account assets to GAMCO Investors, Inc and the transfer of the investment advisory agreement for the Teton Convertible Securities Fund to Keeley Teton Advisors, LLC. We recommend you read this Form ADV Part 2A in its entirety.

The ADV may be requested free of charge by contacting The Advisor's Compliance Department at (312) 786-5000. The Advisor's Brochure is also available on the SEC's Investment Adviser Public Disclosure web site ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)) and on The Advisor's web site at [www.tetonadv.com](http://www.tetonadv.com).

### Item 3. Table of Contents

---

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

## **Item 4. Advisory Business**

---

### ***History & Ownership***

Keeley-Teton Advisors, LLC (“The Advisor” or the “Advisor”), a Delaware limited liability company, is an SEC-registered investment adviser and wholly owned subsidiary of Teton Advisors, Inc. (“Teton Inc.”). Teton Inc.’s Class A Common Stock trades on the OTCQX under the symbol TETAA. Mario J. Gabelli is deemed the controlling person of Teton Inc. based on his ownership of stock he owns individually and through his control of GGCP, Inc., a privately held Wyoming corporation.

The Advisor was formed in 2016 to facilitate Teton Inc.’s February 28, 2017, acquisition of the investment advisory business of Keeley Asset Management Corp. (“KAMCO”), an SEC-registered investment adviser based in Chicago, IL that had been in business since 1982. The Advisor provides discretionary investment advisory services to clients, including the Teton Convertible Securities Fund.

As of May 31, 2025, the Advisor managed \$12 million in assets on a discretionary basis.

### ***Advisory Services***

The Advisor generally manages client assets in accordance with written investment agreements that contain the client’s investment objectives, policies and restrictions, among other things. Certain clients may furnish the Advisor with guidelines as to the investment policies and objectives applicable to the Client’s accounts. The Advisor generally has investment discretion and makes all investment decisions for client accounts without consultation with the client, including decisions to buy, sell, exchange, convert or otherwise trade in securities and other financial instruments.

### ***Sub-Advisors***

The Advisor has entered into a Sub-Advisory Agreement with Gabelli Funds, LLC for the Teton Convertible Securities Fund. The Gabelli Sub-Adviser has its principal offices located at One Corporate Center, Rye, New York 10580-1422. The Gabelli Sub-Adviser manages several other open-end and closed-end investment companies in the Gabelli family of funds. The Gabelli Sub-Adviser is a New York limited liability company and is a wholly owned subsidiary of GAMCO Investors, Inc., a publicly held company listed on the OTCQX under the symbol GAMI.

### ***Mutual Funds***

The Advisor serves as investment adviser to the Teton Convertible Securities Fund (the “Convertible Fund”). As this Fund is registered under the Investment Company Act of 1940 (the “Investment Company Act”), all prospective investors should read the Prospectus carefully prior to investing in order to obtain a full understanding of each specific strategy and its risks.

### ***Separate Accounts***

The Advisor may serve as investment adviser to separately managed client accounts. Certain of the Advisor’s portfolio team may manage separate accounts according to its strategies further tailored to their particular clients’ requirements.

### ***WRAP Fee Programs***

The Advisor may manage assets for several wrap fee programs, either under contract with the sponsoring broker-dealer or under contracts with individual clients referred by the sponsoring broker-dealer. The Advisor may manage such assets primarily based on construction of its broad value methodologies.

### ***Other Pooled Vehicles***

The Advisor can manage assets for partnerships, offshore funds and certificates, and other programs, under contract either with the sponsoring broker-dealer or under contracts with individual clients referred by the sponsoring broker-dealer as applicable. The Advisor manages such assets primarily based on construction of its broad value methodologies and in accordance with written investment agreements that contain the client's investment objectives, policies and restrictions, among other things. Certain clients may furnish the Advisor with guidelines as to the investment policies and objectives applicable to the Client's accounts. The Advisor generally has investment discretion and makes all investment decisions for client accounts without consultation with the client, including decisions to buy, sell, exchange, convert or otherwise trade in securities and other financial instruments.

## **Item 5. Fees and Compensation**

---

### ***Separate Accounts***

For certain accounts, as deemed appropriate based on investment strategy and client regulatory profile and among other factors as applicable, the stated investment management fee for new clients is generally one percent per year. In addition, certain accounts may be charged a performance fee, or other form of incentive fee, depending on benchmarks and related agreements. The Advisor may negotiate its fees. Certain Advisor portfolios may be given break points based on the level of assets under management or relationships with the firm. As noted, the Advisor will customize management styles for accounts and fees for such accounts may vary. Advisory fees for new accounts often exceed those prevailing historically.

Unless otherwise specified in its portfolio description, the Advisor generally requires a minimum account size of one million dollars for its standard full-service discretionary investment management account, which it waives under certain circumstances including in situations where there are related accounts. If a client account falls below the minimum requirement, the client will generally not be required to invest additional funds to meet the minimum account size.

In situations where client accounts are invested in affiliated Funds, the separate account management fee is calculated without regard to the client accounts' investments in the affiliated Funds.

Under some circumstances, the account minimum, the fee rate, the timing of payment, or billing are negotiable. Such circumstances include, among others, a client's history with the Advisor, the nature of the client (e.g., charitable portfolios and employee portfolios), the size of the portfolio, competition for a particular client or type of account, and certain situations in which a client (such as a municipality) is subject to restrictions related to the aforementioned items.

Fees are generally payable quarterly, in arrears or in advance, as negotiated with the client. All client fees are calculated based on the rate structures set forth in the applicable advisory agreement, as applied to the value of the account established by the client's custodian as of the last business day of each quarter. Generally, clients elect to have their advisory fees deducted directly from their account. In other situations, certain clients request that the Advisor bills them directly.

In addition to the Advisor's advisory fees, clients pay custody fees to their custodians, and clients also incur brokerage and other related transaction costs. For more information on the Advisor's brokerage practices, please refer to "Brokerage Practices" in this Brochure.

Some accounts may be sub advised by affiliates of the Advisor, including Gabelli & Company Investment Advisors LLC (“GCIA”), GAMCO Asset Management Inc. (“GAMCO”), and Gabelli Funds LLC (“GFI”), investment advisor or collectively (“Gabelli”). GAMCO may provide portfolio management, relationship management and administrative services for these accounts. The Advisor will pay a fee to Gabelli for these services, the fees payable by these clients to the Advisor will be inclusive of the fee that the Advisor will pay Gabelli for these services.

In addition, subject to the investment guidelines of a separate account, the Advisor can invest the separate account in affiliated and non-affiliated investment companies (including the TETON Westwood Funds) or other pooled investment vehicles. Separate account clients that are invested in such affiliated and unaffiliated investment companies or pooled investment vehicles are subject to additional advisory fees as well as other fees and expenses associated with their investments in such entities (such as the fees and expenses of other service providers to these entities).

### ***WRAP Fee Programs***

The fees paid to the Advisor by wrap program sponsors vary depending on the investment strategy implemented, but generally range 1.00% per annum of the market value of the client’s account as applicable by agreement. Each wrap sponsor generally pays the Advisor on a quarterly basis, either in arrears or in advance, as provided in the contract between the Advisor and the wrap sponsor. The Advisor does not directly invoice wrap program clients. In addition to the Advisor’s advisory fees, clients incur wrap program sponsor fees and other related transaction costs. For more information on the Advisor’s brokerage practices, please refer to “Brokerage Practices” in this Brochure.

### ***Registered Mutual Funds***

The Advisor serves as investment adviser to the Convertible Fund. For its services, the Advisor is compensated based on the fee rates as provided for in the prospectus for the Convertible Fund.

### ***Termination***

The Advisor’s standard advisory agreements with separate account clients can be terminated at any time, subject to reasonable written notice periods as agreed to by the Advisor and the client and stated in the investment advisory agreement. In the event of termination, fees will be prorated to the date of termination and any unearned portion of fees that were paid in advance will be refunded to the client. Investment advisory contracts with the Convertible Fund will be subject to renewal in accordance with Section 15(c) of the Investment Company Act. In the case of wrap programs that provide for prepayment of fees, the client should refer to the sponsor’s brochure or other disclosure documents for information regarding termination and refund procedures.

### ***Additional Compensation***

Current portfolio managers, relationship managers and/or professional staff of the Advisor and its affiliated persons receive a portion of the Advisor's advisory fee on client accounts pursuant to incentive arrangements promulgated from time to time.

## **Item 6. Performance-Based Fees and Side-By-Side Management**

The Advisor and its affiliates may provide investment management services to multiple portfolios for multiple clients. The Advisor’s affiliates may be paid performance-based compensation by some of their clients.

The Advisor and its affiliates, including investment personnel that share in performance-based compensation, manage both client accounts that are charged performance-based compensation and accounts that are charged an

asset-based fee (which is a non-performance-based fee). In addition, certain client accounts have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When the Advisor and its investment personnel manage more than one client account a potential exists for one client account to be favored over another client account. The Advisor and its investment personnel have a greater incentive to favor client accounts that pay the Advisor (and indirectly the portfolio manager) performance-based compensation or higher fees. The portfolio manager also may be motivated to favor accounts in which he has an investment interest, or in which the Advisor or its affiliates have investment interests.

The Advisor's affiliates operating in the interests of their shareholders and/or partners may seek to acquire majority interests in companies or acquire divisions of companies that are held by the Advisor on behalf of its clients. If such majority interest is sought by the Advisor's affiliated entity or entities, the Advisor will act on behalf of its clients in a manner which it, in its sole discretion, believes is in the best interest of its clients. In this regard, the Advisor may, among other alternatives, seek the advice of outside counsel, return shares to clients for them to vote their respective shares or remain neutral.

The Advisor has established various policies and procedures, which are designed so that client accounts are treated in a manner which is equitable over time. These policies and procedures include:

1. It is the Advisor's policy to allocate investment opportunities among its clients in a manner that is equitable over time.
2. Under normal circumstances, the portfolio manager will assess a client's account and determine whether a particular security should be purchased or sold for the account before an order is placed for the account. Occasionally, a portfolio manager may buy a block of stock that is, for example, available at an advantageous price and make determinations about its appropriateness for particular accounts after placement of the order.
3. In certain situations, the Advisor will attempt to place orders for clients managed by the same portfolio management team with G.research, LLC ("G.research") an affiliated broker-dealer, in a manner that aggregates orders so that clients purchasing the same securities on the same day do so at the average price realized by all similar clients. The Advisor orders will usually not be aggregated with orders for affiliated investment advisers or hedge funds except as part of a written plan to buy the same securities in specified amounts. As portfolio managers make buy and sell decisions over the course of the day, those orders are usually added to aggregated orders already entered. The result will often be that substantially all orders for accounts may be executed at the average price paid by the Advisor accounts purchasing the security on the same day through G.research.

This aggregation of trades generally will not include orders placed for: (1) investment companies for which the Advisor serves as investment adviser; (2) some institutional accounts; and (3) any accounts where the client has directed those trades be executed by a broker of its choosing. Each of these types of orders may be aggregated separately. For example, if several clients were to direct the Advisor to trade their accounts through a particular broker, those orders may be aggregated either by the Advisor or by the broker.

Where orders are aggregated and executed at an average price, all clients will share in the execution of that order. Moreover, all accounts participating in an aggregated order through G.research will pay the same commission rate, which under ordinary circumstances will be the standard commission rate. Where a different commission rate is being applied to the trade, all accounts participating in that order will be charged the lowest rate charged to any participating account. If an aggregated order is only partially filled, the Advisor may allocate shares to fill as many of the orders of participating accounts as possible, rather than on a pro-rata basis.

The Advisor, on behalf of its clients, may place a single aggregated buy or sell order with G.research before determining which client accounts should participate in the order. If the order is filled in whole or in part, the allocation will be done as soon as possible and no later than the opening of the market on the next business day. In such cases, the Advisor will allocate the securities bought or sold among its clients' accounts based on criteria, which the Advisor believes to be fair and equitable. Each Advisor account is evaluated in light of these criteria that include: the cash available, the account's investment objectives, any investment guidelines or restrictions, and the amount and percentage of the securities or similar securities already in the account. This allocation policy generally results in securities first being allocated to new accounts and other accounts with available cash subject to the other stated criteria.

The Advisor's affiliates generally use different trading desks to effect transactions for its managed accounts, investment companies and investment partnerships. Generally, neither the Advisor nor its affiliates will bunch trades that are processed by different trading desks nor will they cross trades between accounts that trade through different desks which may in certain instances increase clients' transactions costs. The Advisor may aggregate orders of the Advisor clients with orders for the affiliated mutual funds or alternative investment partnerships, including those with incentive fees, pursuant to a written allocation plan. No account will be favored over any other account, and each account that participates in the order will participate at the average share price of the aggregated order and receive the same commission rate. Shares will be allocated as specified by the Investment Professional prior to entry of the aggregated order. Orders that are partially filled will be allocated pro rata based on the specified allocation. An order may be allocated on a basis different than specified as long as the Advisor believes that all clients will receive fair and equitable treatment.

A conflict of interest may arise where the financial or other benefits available to the portfolio manager for the Advisor or one of its affiliates differ among the accounts that he or she manages. If the structure of the management fee or the portfolio manager's compensation differs among accounts (such as where certain funds or accounts pay higher management fees or performance-based management fees), the portfolio manager may be motivated to favor certain accounts over others.

The Advisor generally does not purchase securities in initial public offerings for its clients, except for certain designated accounts and sub-advised investment companies. The availability of shares of initial public offerings may be limited. To receive shares in an initial public offering ("IPO"), an account must qualify to do so under the applicable regulatory rules.

The Advisor generally apportions IPO shares among eligible the Advisor clients based on several factors including the size of each account in terms of assets under management, the particular investment objectives and guidelines of each account, the contemplated holding period, the risk characteristics of the security and the availability of cash for investment. The Advisor personnel generally are prohibited from purchasing IPOs for their own accounts under the Code of Ethics.

Sometimes, shares in IPOs are allocated by the lead underwriter for clients of the Advisor's affiliated investment advisers, the affiliated mutual funds and affiliated alternative investment products managed by Gabelli & Company Investment Advisers. In those instances, the shares are generally apportioned among the clients taking into account factors such as assets under management, investment objectives, risk characteristics, the contemplated holding period and the availability of cash. Occasionally, particular affiliates are able to obtain separate allocations of shares from other members of the syndicate. Depending on the circumstances, those shares may not be subject to allocation among all clients of the Advisor-affiliated entities.



## **Item 7. Types of Clients**

---

The Advisor may provide investment advisory services to many different types of clients, including open-end registered investment companies, institutional investors including qualified and non-qualified plans, foundations and endowments, municipalities, charitable organizations, family offices and high-net-worth individuals. The minimum account size to open a separately managed account is generally \$1 million. However, this initial investment amount is negotiable. Minimum investments for Funds or other pooled accounts are as stated in the Prospectus or other applicable offering document. The minimum account size for wrap program accounts varies by the particular wrap program and client relationship.

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

---

The Advisor seeks to provide long-term capital appreciation in the equity markets. The core methodology is by investing with a “value” approach across different market capitalization and risk categories as determined by the Advisor. The Advisor primarily employs fundamental security analysis in its strategies. This is known as a “bottom-up” investment strategy that focuses largely on companies deemed undervalued, with an emphasis on those with a catalyst in place to help realize returns. Certain catalysts include companies undergoing major changes corporate restructurings. Certain strategies offered may be modified as complements to the Advisor’s fundamental analysis techniques, including dividend filters, international markets, or event driven special situations.

The primary sources of information that the Advisor employs in its research process are:

- Public corporate filings including, those filed with the U.S. Securities and Exchange Commission filings;
- Reviews of corporate structure and activities;
- Industry and trade organization publications and events
- Meetings with company management;
- Financial publications, including corporate restructuring periodicals;
- Research materials prepared by others; or
- Company press releases.

Please see Item 4 for a full list of the investment strategies that Keeley Teton offers.

### **ESG Investing**

Our role in good corporate citizenry is important. Since our beginnings, we manage client assets according to our founding principles of bottom up, fundamental, active, value investing. We are contrarians. Our work is independent. We invest in companies that trade at a discounts to our estimates of value, typically with identifiable events in place to help generate returns. These events may be broad and macro, or more specific to the company or industry itself. We are guided by market-based principles. As analysts, we strive to understand the most important factors that can impact our assessment of a company’s value. As actors in a large and an ever-evolving marketplace we recognize and incorporate changes in our analysis. Today the market structure, its rules, flow of funds, and participants are different than yesterday. We recognize and respect the behavior of the “crowd” (and the federal government) and its impact on asset prices. A significant number of investors, however, also have needs and preferences that relate to environmental, social, and governance (ESG) issues. In response to investors’ interest in ESG issues, we have developed an integrated approach for considering ESG issues in our-products’ objectives, investment process, and stewardship activities. As a result of these important dynamics, the Advisor has developed the “Teton One Earth” policies for consideration.

The “Teton One Earth” policies are designed to position client portfolios toward companies engaged in smart economic growth with respect for the biosphere. Teton One Earth incorporates a mosaic of factors aimed at fostering smarter economic growth, prioritizing investor transparency while also respecting the long-term health of the earth’s biosphere. This policy provides a suggestive framework for consideration and not one of outright exclusions. Teton One Earth emphasizes a respect for investor rights and free market principles supporting corporate transparency in providing information necessary for market participants to make informed decisions. Teton One Earth’s higher ESG ratings are therefore oriented to corporations that provide transparency across ESG variables.

The Advisor strives to adhere to the Teton One Earth policy initiative and seeks to integrate principles of Sustainability, Environmental, Social and Governance (“ESG”) elements into its investment process. This will include:

- Investment decisions considering financially material ESG information in a systematic manner. However, ESG information is one type of information within a larger set of financially material information, and the portfolio managers have the discretion to decide how much weight to assign to ESG information in any given investment decision.
- The Advisor will seek to use the proxy voting process via its investment advisory subsidiaries’ position of ownership to influence company policies in accordance with One Earth framework, including ESG informational disclosures that are deemed material.

### Investment Strategies Summary

A general summary of the Advisor’s investment strategy capabilities and the material risks involved are presented below.

#### ***All Cap Value***

The Advisor’s All Cap Value strategy seeks to achieve its primary investment objective by making investments based on the results of the Investment Manager’s analysis of companies that are selling at discounts to their estimates of Private Market Value (“PMV”) with catalyst events in place to help realize returns. The PMV is the estimated value an informed industrialist would pay for a business in its entirety through a privately negotiated process. Catalyst includes changes at the regulatory, technological, industry, or more macro level, as well as corporate dynamics such as re-organizations and other forms of financial engineering. The manager seeks investment returns utilizing this method as a function of fundamental research and bottom-up security selection. Generally, such portfolios will invest in stocks of any capitalization and market, with an emphasis on companies in the United States and the strategy is portable to various portfolio types such as funds, separate and private accounts, and wrap programs.

#### ***Small-Mid Cap Value***

The Advisor’s Small-Mid Cap Value equity strategies seek to achieve their investment objectives of long-term capital appreciation by investing primarily in equity securities. These equity securities include common stock, preferred stock, convertible debt securities, real estate investment trusts (“REITs”) and warrants. The strategy, attempts to concentrate on identifying companies going through major changes (for example, corporate restructuring), including:

- Corporate spin-offs (tax-free distributions of a parent company’s division to shareholders);

- Financial restructuring, including acquisitions, recapitalizations and companies emerging from bankruptcy;
- Savings and loan and insurance conversions; or
- Event driven, special situations that create enhanced opportunities through industry and/or corporate dislocation.

It is the Advisor's intention typically to hold securities for more than two years to allow the corporate restructuring process to yield results. However, the Advisor sells securities when a more attractive opportunity emerges, when a company becomes overweight in the portfolio, or when operating difficulties or other circumstances make selling desirable.

The Advisor believes that the strategy allows the purchase of equity shares with above-average potential for capital appreciation at relatively favorable market prices. Current dividend or interest income is not a factor when choosing securities.

#### ***Small Cap Dividend Value, Mid Cap Dividend Value***

The Advisor's Small Cap Dividend Value and Mid Cap Dividend Value equity strategies seek to achieve their investment objectives of long-term capital appreciation by investing primarily in companies in their respective market capitalization segments, as defined by the Advisor, and currently pay or are reasonably expected to pay dividends and/or return capital to shareholders in other ways. The equity securities include common stock, preferred stock, convertible debt securities, REITs and warrants. In these strategies, the Advisor primarily seeks to invest in undervalued small-cap or mid-cap companies, respectively, that have one or more of the following characteristics ("dividend-paying"):

- Attractive dividend yields that are, in the opinion of the Advisor, relatively stable or expected to grow;
- That pay a small dividend, but could grow their dividend over the next few years; or
- That pays no dividend but initiates a dividend or returns cash to shareholders in other ways, such as a share repurchase program.

#### ***Small Cap Opportunities***

The Advisor's Small Cap Opportunities is a disciplined investment approach for investing in the small capitalization sector of the equities market. The strategy employs a fundamental, bottom-up methodology characterized by three factors: 1) A value-oriented approach: Stocks are selected with low P/E ratios based on the trailing not forecasted earnings. 2) Attention to earnings: attractive earnings growth outlooks. 3) A focus on underfollowed, neglected, out-of-favor stocks: Through intensive research, the strategy finds good companies that are overlooked or not widely followed. The strategy invests in firms with market capitalizations that are within the range of the Russell 2000 Index.

The Advisor believes selecting companies with solid earnings growth prospects from a universe of low P/E stocks that are underfollowed provides excellent performance potential at lower risk. This common-sense philosophy is the heart of Small Cap Opportunities' equity approach. This investment strategy was originally developed by three portfolio managers from Skyline Asset Management, L.P who joined the Advisor on March 1, 2021.

## ***Risk of Loss***

Investing in securities involves risk of loss that clients should be prepared to bear. The Advisor's strategies are suitable for the more aggressive section of an investor's portfolio. The strategies are designed for people who want to grow their capital over the long-term and who are comfortable with possible frequent short-term changes in the value of their investment. The Advisor strategies are not suitable for investors who have a short-term investment horizon or are uncomfortable with potentially substantial variations in value. An investment in the Advisor's strategies should not be considered a complete investment program.

The material risks involved in all of the Advisor's equity strategies include, among other risks:

1. Liquidity Risk – Certain investments are difficult to sell at certain times due to limited trading volume.
2. Market Risk – Market prices of securities held by a client fall rapidly or unpredictably due to a variety of factors, including changing economic, political or market conditions.
3. Small and Mid-Size Company Risk – Smaller companies often have limited product lines, markets or financial resources, are dependent for management on one or a few key persons, and can be more susceptible to losses, stock price volatility, reduced stock trading volume and liquidity.
4. Value Stock Risk – Value stocks perform differently from the market as a whole and are undervalued by the market over certain periods of time.
5. Market Sector Concentration Risk – At times, investments concentrated in the securities of issuers in a particular industry or sector. In doing so, clients face more risks than if they were diversified broadly over numerous industries or sectors.
6. Management Risk – A portfolio manager is incorrect in his or her assessment of the growth prospects of the companies in which investments are made. In addition, each given strategy produces returns that are different from other strategies that invest in similar companies.
7. Convertible Securities Risk - Convertible securities provide higher yields than the underlying common stock, but generally offer lower yields than nonconvertible securities of similar quality. The value of convertible securities fluctuates in relation to changes in interest rates and, in addition, fluctuates in relation to the underlying common stock.
8. Dividend Paying Stock Risk – Certain securities reduce or stop paying dividends, which affect their investment. These securities go out of favor resulting in underperformance.
9. Cybersecurity Risk- The Advisor, like all companies, is susceptible to operational and information security risks. Cyber security failures or breaches of the Advisor or its service providers or issuers of securities in which the Advisor invests, all have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of the Advisor or its clients to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. The Advisor and its clients could be negatively impacted as a result.

## **Item 9. Disciplinary Information**

---

The Advisor does not have any material legal or disciplinary events to disclose.

## **Item 10. Other Financial Industry Activities and Affiliations**

---

### ***Affiliated Broker-Dealers***

The Advisor is under common control and affiliated with two SEC-registered broker-dealers, G.distributors and G.research. The business of G.distributors is limited in nature and primarily focused on the distribution of registered mutual funds, including the TETON Westwood Funds. G.distributors distributes these funds pursuant

to distribution agreements. Under each distribution agreement, G.distributors offers and sells such open-end fund's shares on a continuous basis and pays the majority of the costs of marketing and selling the shares, including printing and mailing prospectuses and sales literature, advertising and maintaining sales and customer service personnel and sales and services fulfillment systems, and payments to the sponsors of third-party distribution programs, financial intermediaries and G.distributors' sales personnel. G.distributors receives fees for such services pursuant to distribution plans adopted under provisions of Rule 12b-1 ("12b-1") of the Investment Company Act.

The Advisor from time to time recommends for client accounts the purchase of other mutual funds distributed by G.distributors.

G.research, an affiliate of the Advisor, is a registered broker-dealer. If the Advisor places trades through G.research, it will do so in accordance with the standards set forth in this ADV. G.research has clearing arrangements on a fully disclosed basis with Wells Fargo Clearing Services, LLC, Pershing, LLC and Interactive Brokers LLC. Certain of the Advisor's management persons are registered representatives of G.research.

#### ***Material Relationships with Gabelli, and certain Affiliated Mutual Funds and Pooled Investment Vehicles***

The Advisor is the investment adviser to the Convertible Fund. Teton Advisors, LLC ("Teton"), an affiliated registered investment adviser also owned by Teton Inc., is the investment adviser to the TETON Westwood Mighty Mites, TETON Westwood Equity Fund, and TETON Westwood Balanced Fund in the TETON Westwood Funds, a registered open-end series investment company comprised of five SEC registered mutual funds. In some instances, shares of the TETON Westwood Funds are purchased for and held by client accounts managed by the Advisor. In certain cases, an affiliated person of the Advisor receives direct compensation through a sharing of investment advisory fees earned by the Advisor from the client accounts holding shares of the TETON Westwood Funds.

If the Advisor purchases shares of the TETON Westwood Funds for a client account, such client will pay (and Teton will receive indirectly) fees for investment advisory services Teton provides as an investment adviser to the TETON Westwood Funds, as described in the TETON Westwood Funds' Prospectus. In such cases, the Advisor will deduct the assets invested in the TETON Westwood Funds from the assets held in such client account when billing the investment advisory fees due to the Advisor for management of the client account.

Subject to a client's investment guidelines, the Advisor invests client accounts in other registered investment companies or pooled investment vehicles that are managed or advised by Teton or another affiliate ("Affiliated Funds"). The Advisor has a conflict of interest to the extent that it invests client accounts in Affiliated Funds (rather than in unaffiliated investment companies or pooled investment vehicles) because its affiliates benefit from increased subscriptions (i.e. larger funds) and certain affiliates receive distribution fees, placement fees or other fees for distributing such funds. The Advisor addresses this conflict of interest by appropriate compliance policies to ensure client accounts are managed in accordance with their investment objectives.

#### ***Material Relationships with Affiliated Investment Advisers***

The Advisor and its affiliates, in the ordinary course of their business, acquire for their own accounts or for the accounts of their investment advisory clients, significant positions in the securities of companies that are suitable for investment by the Advisor's clients. Therefore, the securities in which the Advisor client might be able to invest may be limited to some extent. For instance, many companies have adopted so-called "poison pill" or other anti-takeover measures designed to discourage or prevent the completion of non-negotiated offers for control of the company. Such anti-takeover measures have the effect of limiting the number of shares of the

company which the Advisor might otherwise be able to purchase for a client if the Advisor or its affiliates have or acquire a significant position in the securities of the company.

The Advisor has other financial industry affiliations, including other affiliated SEC registered investment advisers. However, except as set forth above with respect to potential limitations on investments by the Advisor's clients, and as set forth above with respect to the sub advisory relationship with Gabelli, these other affiliations are not material to the advisory services the Advisor will provide to its clients.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

---

### ***Code of Ethics***

The Advisor has adopted a Code of Ethics ("Code") pursuant to Rule 204A-1 under the Advisers Act that governs personal trading by any partner, officer, director, or employee of the Advisor, or other person who provides investment advice on behalf of, or has access to information concerning investment decisions made by, the Advisor. The Code requires all employees to adhere to the highest ethical standards in providing investment advisory services to clients, including placing the interests of its clients ahead of the Advisor's and their own.

The Code contains policies and procedures that, among other things:

- Prohibit employees from taking personal advantage of investment opportunities belonging to clients;
- Prohibit trading on the basis of material, nonpublic information;
- Place limitations on personal trading by employees and impose certain preclearance requirements;
- Impose annual and quarterly reporting obligations with respect to personal trading activities;
- Impose limitations on the acceptance of gifts; and
- Place limitations on employees' outside business activities.

The Code places the responsibility on employees to report any activity that is not consistent with the Code to the Compliance Department, and employees who violate the Code are subject to sanctions. All supervised persons of the Advisor certify quarterly their familiarity and compliance with the Code. In addition, the CCO performs a monthly transaction check against certain employees of Gabelli as those employees have access to the Advisor's transactions under the Administrative Agreement. The Advisor will provide a copy of its Code to any advisory client or prospective client upon request.

### ***Participation or Interest in Client Transactions***

The Advisor, its affiliates and supervised persons have direct or indirect interests in securities being bought or sold on behalf of the Advisor clients. In addition, on any given day, securities being bought or sold for a client also are simultaneously bought or sold for the Advisor, its affiliates and/or supervised persons. Accordingly, the Advisor, its affiliates and/or supervised persons sell or recommend the sale of a particular security for certain accounts, including accounts in which they have an interest, and the Advisor, its affiliates and/or supervised persons buy or recommend the purchase of such security for other accounts, including accounts in which they have an interest, and, thus, transactions in particular accounts are not consistent with transactions in other accounts or with the recommendation of the Advisor, its affiliates and/or supervised persons. It is therefore possible that the value of a security bought on behalf of a client may decrease if another account advised by the Advisor, its affiliates and/or supervised persons subsequently sells or shorts the same security. Furthermore, some of the accounts that the Advisor, its affiliates and/or supervised persons advise have compensation arrangements that differ from those of the client. While the Advisor endeavors to treat all client accounts it advises in a fair and equitable manner, different compensation arrangements incentivize the Advisor to make investment decisions

with respect to clients whose accounts it manages that have a detrimental effect on the value of the securities held by other clients.

The Advisor adopted the Code in order to attempt to minimize the effects of potential conflicts of interest. The Advisor's procedures are intended to ensure that client accounts are always given the priority of economic opportunity over professional staff accounts. Staff of the Advisor and its affiliates, with certain limited exceptions, must receive prior approval from the designated compliance or legal officer before placing an order for their own account or for any other account in which they have a beneficial interest. In addition, no Security bought or sold for the account of any portfolio manager or associate portfolio manager, including any of the firms' proprietary accounts managed by a portfolio manager or associate portfolio manager, during the period commencing seven (7) calendar days prior to and ending seven (7) calendar days after the purchase or sale (or entry of an order for the purchase or sale) of that Security for any client account with respect to which such person has been designated a portfolio manager or associate portfolio manager, unless the client account receives at least as good a price as the account of the portfolio manager or associate portfolio manager by the transaction for the account of the portfolio manager or associate portfolio manager.

## **Item 12. Brokerage Practices**

---

### ***Selection of Brokers***

The Advisor acts as a discretionary investment manager and is authorized to make investment decisions for client accounts and to select broker-dealers to execute transactions. Except where directed by clients either in connection with wrap programs or otherwise, the Advisor will place orders for the execution of transactions in accordance with its best execution policies and procedures. Under those policies and procedures, the Advisor considers many factors, including the following, in selecting broker/dealers:

- The nature of the security being traded and the size of the transaction;
- The desired timing of the trade;
- The existing and expected market activity for the particular security;
- Confidentiality;
- The execution, clearance and settlement capabilities of the broker or dealer;
- The financial stability of the broker or dealer;
- The Advisor's knowledge of negotiated commission rates available for the trade in question; or
- The provision of research and other services.

Based upon the consideration of these factors, transactions will not always be executed at the lowest available price or commission, as best execution doesn't necessarily reflect the best available price.

The Advisor periodically reviews pre-negotiated commission rates in light of changing market conditions. The Advisor places trades for wrap fee accounts with their sponsors, provided a block trade structure is not necessary to efficiently effect a material global model change across all wrap fee account portfolios. For other accounts, the Advisor selects brokers in accordance with its policies described previously.

All transactions for clients are subject to monitoring for best execution, in accordance with the policies and procedures of the Advisor.

The Advisor does not act as a broker-dealer for its clients. The Advisor, however, is affiliated with G.research, a registered broker-dealer, which executes portfolio securities transactions for clients of the Advisor under certain

circumstances. The Advisor may have an incentive to use G.research to execute portfolio transactions for the Advisor's clients.

Where clients authorize G.research to execute portfolio transactions, it generally acts as agent or broker rather than as principal or dealer in executing securities transactions for the Advisor's clients to reduce the potential for conflicts of interest. In this regard, G.research executes over-the-counter securities transactions on an agency basis for the Advisor's clients.

On occasion, the Advisor's clients may benefit from buying or selling a security in an agency cross transaction involving another client of G.research that is not a client of the Advisor. The Advisor will effectuate such a transaction for a client only when the client has given prior written consent authorizing the Advisor to effect agency cross transactions, the Advisor has determined that the transaction is in the best interest of the client, and the transaction is done in compliance with the requirements of the Advisers Act and ERISA, if applicable. The Advisor may also facilitate transactions between clients by crossing positions through custodians without use of a broker-dealer.

### ***Research and Other Soft Dollar Benefits***

Based upon the factors employed to select brokers to execute client transactions, the Advisor takes into consideration the value of research services provided by the brokers. The Advisor pays brokerage commissions in excess of fees charged by other brokers in recognition of the value of such research and/or other services to the Advisor's investment decision-making process. These transactions will be conducted in accordance with Section 28(e) of the Securities and Exchange Act of 1934. The research may be proprietary (created and provided by the broker-dealer, including tangible research products as well as, for example, access to company management or broker/dealer generated research reports) or third-party (created by a third-party, but provided to the Advisor by the broker) in nature. Such research or other services include, to the extent permitted by law: research reports; economic and financial data; financial publications; proxy analysis; computer databases; and quotation services.

To the extent that the Advisor uses products and services obtained through soft dollar arrangements, it will not incur the cost of those products and services. The Advisor thus has incentive to select a broker based on its interest in receiving research benefits, rather than each client's interest in receiving best execution. To the extent that the Advisor receives both administrative benefits and research and brokerage services from the services provided by brokers, the Advisor will make a good faith allocation between the administrative benefits and the research and brokerage services and pay for the administrative benefits in hard dollars.

The research products/services provided by brokers through soft dollar arrangements benefit the Advisor's investment process for client accounts and are used to provide investment advice to all clients of the Advisor, including accounts that have not paid commissions to the broker involved in a particular transaction. As a result, not all research generated by a client's trading will benefit that client's account. The Advisor does not attempt to allocate the relative costs or benefits of research among client accounts because it believes that, in the aggregate, the research it receives benefits all clients and assists the Advisor in fulfilling its overall duty to its clients.

When selecting brokers who provide soft dollar research products/services, the Advisor will adhere to the following procedures:

- Any research services must be provided to the Advisor by the broker effecting the transaction;
- A good faith determination has been made that the commissions paid are reasonable in relation to the value of the brokerage and research services received; and



- The research services received qualify as “brokerage and research” services pursuant to Section 28(e) of the Securities and Exchange Act of 1934.

### ***Directed Brokerage***

Clients who direct the Advisor to effect transactions through particular brokers or dealers in recognition of custodial or other arrangements. Such discretion impairs the Advisor’s ability to achieve best execution. Examples of how client directed brokerage limits the Advisor's ability to achieve best execution are as follows:

- The Advisor is unable to take into account judgmental factors in selecting brokers or dealers;
- A client account incurs transaction costs and/or commissions that are be higher than if such direction had not occurred;
- A client account is not able to participate in aggregated trades; or
- Execution of orders for clients that have designated particular brokers, at the discretion of the Advisor’s trading desk, are delayed until execution of other non-designated orders have been completed.

### ***Trades for WRAP Fee Programs***

Trades on behalf of wrap accounts at times are placed with the wrap sponsor, but the Advisor, where it believes such action to be consistent with best execution, places such trades with other broker/dealers. In such instances, the wrap account client will incur commission charges over and above the all-inclusive wrap fee it pays to the sponsor of the particular wrap program.

### ***Communication of Trade Information for Unified Managed Accounts***

The Advisor will transmit trade information for Unified Managed Account clients in accordance with its trade allocation policy.

### ***Trade Aggregation and Allocation***

The Advisor has established various policies and procedures, which are designed to ensure that client accounts are treated in a manner which is equitable over time.

Orders to purchase or sell securities are generally determined by portfolio managers based on size of the accounts participating in the trade. In the event an order is only partially filled in a given trading day, the Advisor will allocate the securities transacted among accounts using its best judgment, based on its opinion of the need for such securities in the various accounts at the time of allocation. Factors that the Advisor uses to determine need include but are not limited to: customer preferences and suitability; portfolio composition; portfolio size; market conditions; cash position; and interest rates.

In certain circumstances, the Advisor invest in, or accept any allocation of, equity new issues (i.e. initial public offerings or new issues) when in the Advisor’s opinion, the equity new issues are available in sufficient quantities to make meaningful allocations among all discretionary and eligible client portfolios following a particular investment strategy and whose investment profiles would accept the inherent risk of such securities. From time-to-time, the Advisor invests in secondary issue offerings where the securities of the subject company are already publicly traded.

## **Item 13. Review of Accounts**

The Advisor’s portfolio managers, trading, operations and/or compliance staff will review client accounts on a regular basis, not less often than quarterly, for compliance with each particular client’s investment guidelines. We review and analyze risk within our portfolios through three independent perspectives: at the position level, at the

portfolio level, and through the use of risk management tools at the firm-wide level inclusive of sustainability and governance oversight. The Advisor generally provides quarterly written reports to its institutional and high-net-worth separately managed account clients. These reports include information on holdings, account value and performance.

Shareholders in the Convertible Fund receive such reports as required by the Investment Company Act. In addition, the Advisor will provide reports to the Board of Directors of the Teton Westwood Funds, as they request and as required by the Investment Company Act.

Wrap program clients receive such reports provided by the wrap sponsors. Wrap program clients should refer to each wrap program's disclosure document for additional information about the reports provided to program participants.

#### **Item 14. Client Referrals and Other Compensation**

---

The Advisor pays to G.distributors or such other broker-dealers from its own resources a percentage of the average annual value of the net assets of certain no-load investment companies managed by the Advisor in recognition of their distribution or shareholder services with respect to such companies. The Advisor from time-to-time places brokerage orders with brokers-dealers who have recommended or introduced clients to the Advisor. These arrangements do not result in higher advisory fees for referred clients.

The Advisor has agreed to pay third-party referral fees to certain individuals or companies based on a fee agreement with those persons or companies.

#### **Item 15. Custody**

---

The Advisor does not serve as a custodian for its client assets. However, in certain circumstances it has the ability to deduct advisory fees directly from client accounts. Where clients grant the authority to the Advisor to deduct advisory fees, clients receive statements at least quarterly and are urged to compare the information provided by the Advisor to the statements provided by their custodians.

#### **Item 16. Investment Discretion**

---

The Advisor provides investment advisory services on a discretionary basis to its clients. Please see Item 4 for a description of any limitations clients place on the Advisor's advisory services. Prior to assuming discretion in managing a client's assets, the Advisor will enter into an investment management agreement that sets forth the scope of its discretion. Unless otherwise instructed or directed by a discretionary client, the Advisor will have the authority to determine: (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the client account.

Certain clients request that the Advisor direct trading to a particular broker. This limits the Advisor's discretionary ability to select particular brokers for client transactions.

The Advisor submits an allocation statement to its trading desk describing the allocation of securities to (or from) client accounts for each trade/order submitted. The Advisor may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iii) size of the client account; (iv) nature and liquidity of the security to be allocated; (v) size of available position; (vi) current market conditions; and (vii) account liquidity, account requirements for liquidity and timing of cash flows.

The Advisor may affect cross transactions between discretionary client accounts, except as otherwise noted below. Cross transactions enable the Advisor to affect a trade between two clients for the same security at a set price, thereby possibly avoiding an unfavorable price movement that may be created through entrance into the market and saving commission costs for both accounts. Cross transactions include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. The Advisor has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross transactions. Cross transactions between client accounts are not permitted if they would constitute principal trades or trades for which the Advisor or its affiliates are compensated as a broker unless client consent has been obtained based upon written disclosure to the client of the capacity in which the Advisor or its affiliates will act. In addition, cross transactions are not permitted for benefit plan or other similar accounts that are subject to ERISA. Cross transactions involving client's that are registered investment company for which the Advisor serves as adviser are permitted only in accordance with the registered investment company's rule 17a-7 procedures.

If it appears that a trade error has occurred, the Advisor will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors and breaches of investment guidelines and restrictions occur, the Advisor's error correction procedure is to make sure that clients are treated fairly. The Advisor will correct the error in a manner that seeks to put its clients in the same position they would have been if the error had not occurred. The Advisor has discretion to resolve a particular error in any appropriate manner that is consistent with the above stated policy.

#### **Item 17. Voting Client Securities**

---

The Advisor adopted proxy voting policies and procedures for all its clients and govern the voting of portfolio securities. In accordance with "One Earth" process, our Proxy Voting Committee reviews votes to make sure they adhere to our guidelines and help reach a final decision on some proxy votes.

The Advisor's policies and procedures are based on the following assumptions:

- 1) Voting rights have economic value.
- 2) There is a duty to cast an informed vote.
- 3) Securities must be voted in a way that benefits the client solely.

The following is a summary of the manner in which the Advisor would normally expect to vote on certain matters that typically are included in the proxies that The Advisor receives each year; however, each proxy needs to be considered separately and the Advisor's vote may vary depending upon the actual circumstances presented.

The Advisor utilizes the services of a third-party, proxy voting adviser to analyze ballot initiatives and decide the way in which it intends to vote. The portfolio manager or research analysts make the final decisions on votes. The Adviser will generally vote in-line with the third-party proxy voting adviser's recommendations, but at times may vote differently when it believes that such a vote is in the best interests of the client. However, if at least one of the three standards listed below are not met, then the Advisor may vote differently. In addition, a proxy voting committee reviews votes to make sure they adhere to our guidelines.

The Advisor may vote against those members of the nominating/governance committee standing for election if at least one of the three standards are not met: 1) CEO is not also the Chairman of Board – we want to see a

different person occupying each role; 2) 75% or more of the Board members are independent; 3) 25% or more of the Board members are female. A proxy voting committee has been created to help reach a final decision on some proxy votes. Also, the Advisor now takes into consideration our affiliates' proxy vote on overlapping securities.

Proxies for extraordinary matters, such as mergers, reorganizations and other corporate transactions are considered on a case-by-case basis and by the merits of the individual transactions. In addition, the Advisor (for separately managed clients and its proprietary mutual funds) will monitor votes for instances in which the third-party proxy voting adviser has a significant relationship with the issuer. All issues brought forth will be reviewed by the Advisor analyst who researches the issuer.

For instances that are considered on a case-by-case basis the Advisor does not anticipate that voting will generally present a conflict of interest between clients and the person exercising the vote (which may include employees of the Advisor, or affiliated persons of the Advisor. The Advisor recognizes that it is possible that a conflict of interest could arise. If the vote requires management to exercise judgment, then (i) if the perceived conflict involves the person exercising voting judgment on behalf of the client but does not involve the Advisor, its affiliates, or any other person controlling those entities, the exercise of voting judgment will be made by another research member of the Advisor who does not have the conflict (ii) if there is no other research member of the Advisor who does not have a perceived conflict or the conflict involves the Advisor and affiliates or someone who controls either of them, Keely-Teton vote along with the third-party proxy voting adviser as to the appropriate vote on the matter.

The Advisor maintains records of its proxy voting as required by the Investment Advisers Act of 1940 and the related rules of the SEC. Copies of Keely-Teton's complete voting policies and procedures, and of the records of how a client's securities were voted (beginning on July 1, 2003) are available by calling 312-786-5000.

---

## **Item 18. Financial Information**

The Advisor does not believe there are any existing financial conditions that are reasonably likely to impair its ability to meet its contractual obligations to clients.

---

## **Privacy Policy**

What kind of non-public information do we collect about you if you become a client of the Advisor?

If you have engaged us to manage your money, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us.* This could include your name, address, telephone number, social security or tax identification number, your bank or brokerage account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates and transactions with the entities we hire to provide services to you.* This would include information about the shares bought and sold for your account, and the deposits and withdrawals that you make. If we hire someone else to provide services—like a broker—we will also have information about the transactions that you conduct through them. We will also have access to the information they generate when they conduct those services relating to transactions in your account.

**What information do we disclose and to whom do we disclose it?**

We do not disclose any non-public personal information about our customers or former customers to anyone, other than our affiliates, our service providers who need to know such information and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its web site, [www.sec.gov](http://www.sec.gov).

### **What do we do to protect your personal information?**

We restrict access to non-public personal information about you to the people who need to know that information in order to perform their jobs or provide services to you and so that we are in compliance with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.