

CLIENT RELATIONSHIP SUMMARY

January 1, 2022

INTRODUCTION

First Manhattan Co. (“FMC”) is registered with the U.S. Securities and Exchange Commission (the “SEC”) as an investment advisor and a broker-dealer. Your FMC portfolio manager will be acting in his or her capacity as an investment adviser when making any recommendations with respect to your FMC investment advisory account, and your FMC portfolio manager will be acting in his or her capacity as a broker when making any recommendations with respect to your FMC brokerage account. This summary concerns the products and services that are available to individual investors from us in each capacity. The type and level of investment advisory and brokerage services we offer, and the cost of each offering, differs materially. Accordingly, it is important for you to understand these differences. Free and simple tools are available to enable investors to research investment firms and professionals at [Investor.gov/CRS](https://www.investor.gov/crs). This website also provides educational materials about investment advisors, broker-dealers, and investing.

What investment services and advice can you provide me?

Our primary investment advisory services to individual investors include the management of fully discretionary, separate investment portfolios in publicly traded equity and/or fixed-income securities. We have minimum asset requirements for opening discretionary investment advisory accounts.

We consult with you to determine the investment strategy and portfolio type most appropriate for you. After your assets are initially invested, we typically continue to exercise investment discretion over transactions in your advisory account(s). To that end, we monitor your portfolio to determine if, when, and how assets might be reallocated, taking into account such factors as changes in your personal and family considerations, general market conditions, and opportunities that might arise from a reallocation.

We also offer non-discretionary investment advisory accounts. Although you make the ultimate decision regarding each securities transaction in a non-discretionary investment advisory account, with certain exceptions we will generally provide advice on these transactions. However, you are generally responsible for monitoring your portfolio and notifying us immediately of any errors or unusual activity.

For investment advisory services, clients pay us an annualized advisory fee based on the average daily value of the assets under our management in your investment advisory account.

We also currently advise a number of affiliated private investment funds, including funds that invest in the healthcare and biomedical industries, and funds that invest in companies that derive a majority of their revenue from China.

Our brokerage services currently include buying and selling securities for client accounts as an accommodation to our clients, and we do not typically exercise investment discretion over your brokerage account(s) without an investment advisory contract. Although you make the ultimate decision regarding each transaction in your non-discretionary brokerage account(s), we may occasionally provide advice on these transactions. Unless we agree otherwise, we are not required to monitor your non-discretionary brokerage portfolio on an ongoing basis.

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For additional information, please see Sections 4 and 5 of our Form ADV Part 2A at firstmanhattan.com.

Conversation Starters. Questions to ask our financial professionals.

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- What's your investment philosophy and how will you choose investments for my portfolio?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?
- How will you monitor my assets that you don't directly manage?
- Where will my assets be held?

What fees will I pay?

INVESTMENT ADVISORY ACCOUNTS

You typically will pay an investment advisory fee quarterly, each April 1, July 1, October 1, and January 1, based on the average daily valuation of the assets under management in your account(s) for the preceding calendar quarter. Fees for discretionary and non-discretionary investment advisory accounts vary and more information about such applicable fee schedules can be found in Form ADV Part 2A, Item 5.

The greater the value of the assets in your investment advisory account(s), including cash, the more you generally will pay. We may have an incentive for the value of assets in your account(s) to increase because our fees could increase accordingly.

Although many of our client portfolios do not include mutual funds or exchange-traded funds, any such fund products included in your investment advisory account(s) may also charge certain fees or expenses, including management and administrative fees, servicing or marketing expenses, transfer agent fees, and sales charges. These fees will not be billed to you directly but could affect the returns on individual mutual funds or exchange traded funds held in your advisory account(s).

You will pay an investment advisory fee whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. It is important that you understand what fees and costs you are paying. Although we typically act as the broker in connection with purchases and sales of securities in your investment advisory portfolio, we do not currently assess transaction charges in connection with such brokerage services. If we were to receive brokerage-related charges in the form of brokerage commissions in connection with transactions in your investment advisory accounts, however, we would retain them.

BROKERAGE ACCOUNTS

The costs you incur in a brokerage account are based on specific brokerage transactions and not the aggregate value of assets in your account.

With stocks, bonds or certain other exchange-traded securities, this cost is typically a brokerage commission in addition to the price of the investment. With other investments, such as mutual funds, this cost (typically called a

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“load”) reduces the value of your investment. Some investments (such as mutual funds and exchange-traded funds) impose additional costs or fees, including management and administrative fees, servicing or marketing expenses, transfer agent fees, and sales charges, that might reduce the value of your investment over time.

The pricing for our brokerage services varies by security type. The amount you pay will depend, for example, on factors like security type and how much you buy or sell.

We may charge you additional fees, such as custodial fees. In most cases, the more transactions in your non-discretionary brokerage account(s), the more we will charge you. We therefore have an incentive to encourage you to engage in transactions in a non-discretionary brokerage account.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see our [Form ADV, Part 2A](#) (Items 5, A, B, C, and D), and Regulation Best Interest Disclosures.

Conversation Starters. Questions to ask our financial professionals.

- Help me understand how these fees and costs might affect my investments. If I give you \$1,000,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser or when providing recommendations as my broker-dealer? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser or provide you with a recommendation as your broker-dealer, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendation and investment advice we provide you.

Here are some examples to help you understand what this means.

- In cases where mutual funds are held in investment advisory accounts, you might pay a fee directly to the mutual fund in addition to an investment advisory fee.
- If appropriate for your financial circumstances, we may recommend certain proprietary private investment funds for your investment advisory account. In such cases, you might pay management fees on committed but unfunded capital that is also subject to an investment advisory fee.

For additional information on conflicts of interest please see our [Form ADV Part 2A](#).

Conversation Starters. Questions to ask our financial professionals.

- How might your conflicts of interest affect me, and how will you address them?
- Are you a fiduciary?

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How do your professionals make money?

Generally, our financial professionals earn a percentage of the fees generated by the combination of total amount of assets in the accounts that they manage, plus brokerage and other transaction-related charges in client accounts. We do not pay our financial professionals additional salary or incentive compensation for any fees generated by any third-party products.

As our financial professionals are compensated based on both the investment advisory fees and the brokerage commissions we receive from you, a conflict of interest might exist in the recommendations that our financial professionals provide to you.

Conversation Starters. Questions to ask our financial professionals.

- Is it worth paying for financial advice or would I be better off doing it myself?

Do you or your financial professionals have legal or disciplinary history?

Yes. To view this history, please visit investor.gov/CRS for a free and simple tool to research FMC and its financial professionals. Additional information can be found at FINRA BrokerCheck or firstmanhattan.com.

Conversation Starters. Questions to ask our financial professionals.

- As a financial professional, do you have any disciplinary history? For what type of conduct?

ADDITIONAL INFORMATION

For additional information about our services, please contact your financial professional or firstmanhattan.com. If you would like additional up-to-date information or a copy of this disclosure, please contact us at 212-756-3300 or via the [Contact Us page at firstmanhattan.com](http://firstmanhattan.com).

Conversation Starters. Questions to ask our financial professionals.

- Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer, or both?
- Who can I talk to if I have concerns about how this person is treating me?