

Form ADV Part 2B

— March 31, 2017 —

This Brochure provides information about the qualifications and business practices of Cove Street Capital, LLC (“CSC”). If you have any questions about the contents of this Brochure, please contact us at (424) 221-5897 or dbeasley@covestreetcapital.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.

CSC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. Additional information about CSC is also available on the SEC’s website at www.adviserinfo.sec.gov.

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Jeffrey Bronchick, CFA

Born: 1962

Item 2 Educational Background and Business Experience

Education

- ✓ University of Pennsylvania; BA, Economics; 1984
- ✓ London School of Economics; Economics; 1983

Business Experience

- ✓ Cove Street Capital, LLC; Principal & Portfolio Manager; 7/2011 - Present
- ✓ Reed Conner & Birdwell LLC; Chief Investment Officer & Member; from 1/1989 to 6/2011

Designations

Jeffrey Bronchick has earned the following designation(s) and is in good standing with the granting authority:

- ✓ Chartered Financial Analyst (CFA)*; CFA Institute; 1989

*For more information on the qualifications of this designation, please see the appendix entitled, "CFA Program Description for SEC Form ADV Part 2B."

Item 3 Disciplinary Information

Jeffrey Bronchick has no reportable disciplinary history.

Item 4 Other Business Activities

Investment-Related Activities

Jeffrey Bronchick is not engaged in any other investment-related activities. He does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

Non-Investment-Related Activities

Jeffrey Bronchick is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

Item 5 Additional Compensation

Jeffrey Bronchick does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Daniele Beasley, Principal, President & CCO | 424-221-5897

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Daniele Beasley

Born: 1969

Item 2 Educational Background and Business Experience

Education

- ✓ Pepperdine University; MBA; 2011
- ✓ Anderson School at UCLA; Executive Program; 2004

Business Experience

- ✓ Cove Street Capital, LLC; Principal, President & CCO; 7/2011 - Present
- ✓ Reed Conner & Birdwell LLC; Principal, COO & CCO; from 1/2000 to 6/2011

Designations

- ✓ Series 7 Qualified

Item 3 Disciplinary Information

Daniele Beasley has no reportable disciplinary history.

Item 4 Other Business Activities

Investment-Related Activities

Daniele Beasley is not engaged in any other investment-related activities. She does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

Non-Investment-Related Activities

Daniele Beasley is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

Item 5 Additional Compensation

Daniele Beasley does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Jeffrey Bronchick, Principal & Portfolio Manager | 424-221-5897

Paul Hinkle

Born: 1974

Item 2 Educational Background and Business Experience

Education

- ✓ Stanford University; BA, International Relations; 1996
- ✓ Anderson School at UCLA; MBA; 2003

Business Experience

- ✓ Cove Street Capital, LLC; Principal, Director of Client Portfolio Management; 11/2012 to Present
- ✓ Guggenheim Securities; Vice President; 11/2009 – 3/2011
- ✓ Silverstrand Enterprises; President; 1/2009 to 10/2009
- ✓ Bear Stearns & Company, Inc.; Vice President; 5/2004 to 6/2008

Designations

- ✓ Series 7 Qualified
- ✓ Series 63 Qualified

Item 3 Disciplinary Information

Paul Hinkle has no reportable disciplinary history.

Item 4 Other Business Activities

Investment-Related Activities

Paul Hinkle is not engaged in any other investment-related activities. He does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

Non-Investment-Related Activities

Paul Hinkle is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

Item 5 Additional Compensation

Paul Hinkle does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Jeffrey Bronchick, Principal & Portfolio Manager | 424-221-5897

Appendix

Supervision

CSC has adopted written policies and procedures which are designed to set standards and internal controls for the firm, its employees, and its businesses and are also reasonably designed to detect and prevent any violations of regulatory requirements and the firm's policies and procedures. Every employee and manager is required to be responsible for and monitor those individuals and departments he or she supervises to detect, prevent and report any activities inconsistent with the firm's procedures, policies, high professional standards, or legal/regulatory requirements.

CSC's Compliance Department, in conjunction with Management, are primarily responsible for the development and implementation of appropriate policies and procedures. Monitoring systems are tailored to particular policies and procedures, the manner and frequency of testing varies as appropriate.

These compliance procedures include the reporting of violations or errors to designated personnel. After any preliminary due diligence and investigation, matters are corrected or resolved in an appropriate manner, which will vary depending on, among other things, the nature and severity of the violation. CSC senior management may be involved for significant errors or violations.

CFA Program Description for SEC Form ADV Part 2B

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 142,000 CFA charter holders working in 159 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- ✓ Place their clients' interests ahead of their own
- ✓ Maintain independence and objectivity
- ✓ Act with integrity
- ✓ Maintain and improve their professional competence
- ✓ Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charter-holders often making the charter a prerequisite for employment.

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Additionally, regulatory bodies in 23 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit www.cfainstitute.org.