UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant ☒
Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement
☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
☒ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material Pursuant to §240.14a-12

Associated Capital Group, Inc.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):
☒ No fee required.

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(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

ASSOCIATED CAPITAL GROUP, INC.

One Corporate Center
Rye, New York 10580

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held on May 8, 2018

We are pleased to invite you to attend our Annual Meeting of Shareholders to be held at the Indian Harbor Yacht Club, 710 Steamboat Road, Greenwich, CT 06830 on Tuesday, May 8, 2018, at 8:00 a.m., local time. At the meeting, we will ask shareholders:

1. To elect eight directors to the Board of Directors to serve until the 2019 Annual Meeting of Shareholders or until their respective successors have been duly elected and qualified;

2. To ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the year ending December 31, 2018;

3. To hold an advisory vote on the named executive officer compensation; and

4. To vote on any other business that properly comes before the meeting.

At the meeting, we will also review our 2017 financial results and outlook for the future and will answer your questions.

Shareholders of record at the close of business on March 23, 2018 are entitled to vote at the meeting or any adjournments or postponements thereof. Please read the attached proxy statement carefully and vote your shares promptly whether or not you are able to attend the meeting.

We encourage all shareholders to attend the meeting.

By Order of the Board of Directors

KEVIN HANDWERKER
Secretary

April 16, 2018

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held on May 8, 2018.

This Notice, the Proxy Statement, and the 2017 Annual Report of Shareholders on Form 10-K are available free of charge on the following website: http://www.associated-capital-group.com/ir/SEC-Filings.aspx

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ASSOCIATED CAPITAL GROUP, INC.

One Corporate Center
Rye, New York 10580

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

May 8, 2018

INTRODUCTION; PROXY VOTING INFORMATION

Unless we have indicated otherwise, or the context otherwise requires, references in this proxy statement to "Associated Capital Group, Inc.," "Associated Capital," "the Company," "AC," "we," "us" and "our" or similar terms are to Associated Capital Group, Inc., a Delaware corporation, its predecessors and its subsidiaries.

We are sending you this proxy statement and the accompanying proxy card in connection with the solicitation of proxies by the Board of Directors of Associated Capital (the "Board") for use at our 2018 annual meeting of shareholders (the "2018 Annual Meeting") to be held at the Indian Harbor Yacht Club, 710 Steamboat Road, Greenwich, CT 06830 on Tuesday, May 8, 2018, at 8:00 a.m., local time, and at any adjournments or postponements thereof. The purpose of the 2018 Annual Meeting is to elect directors, to ratify the appointment of the Company's independent registered public accounting firm, to hold an advisory vote on the named executive officer compensation and to act upon any other matters properly brought to the 2018 Annual Meeting. We are sending you this proxy statement, the proxy card, and our annual report on Form 10-K containing our financial statements and other financial information for the year ended December 31, 2017 (the "2017 Annual Report") on or about April 16 2018. The 2017 Annual Report, however, is not part of the proxy solicitation materials.

Shareholders of record at the close of business on March 23, 2018, the record date for the 2018 Annual Meeting, are entitled to notice of and to vote at the 2018 Annual Meeting. On this record date, we had outstanding 3,944,961 shares of Class A Common Stock, par value \$.001 per share ("Class A Stock"), and 19,187,885 shares of Class B Common Stock, par value \$.001 per share ("Class B Stock").

The presence, in person or by proxy, of a majority of the aggregate voting power of the shares of Class A Stock and Class B Stock outstanding on March 23, 2018 shall constitute a quorum for the transaction of business at the 2018 Annual Meeting. The Class A Stock and Class B Stock vote together as a single class on all matters. Each share of Class A Stock is entitled to one vote per share, and each share of Class B Stock is entitled to ten votes per share. Directors who receive a plurality of the votes cast at the 2018 Annual Meeting by the holders of Class A Stock and Class B Stock outstanding on March 23, 2018, voting together as a single class, will be elected to serve until the 2019 annual meeting of shareholders ("2019 Annual Meeting") or until their successors are duly elected and qualified. Any other matters will be determined by a majority of the votes cast at the 2018 Annual Meeting.

Under the New York Stock Exchange rules, the proposal to approve the appointment of independent auditors is considered a "discretionary" item. This means that brokerage firms may vote in their discretion on this matter on behalf of clients who have not furnished voting instructions at least 10 days before the date of the meeting. In contrast, the election of directors and the advisory vote on the named executive officer compensation are "non-discretionary" items. This means brokerage firms that have not received voting instructions from their clients on these proposals may not vote on them. These so-called "broker non-votes" will be included in the calculation of the number of votes considered to be present at the meeting for purposes of determining a quorum, but will not be considered in determining the number of votes necessary for approval. Accordingly, broker non-votes will have no effect on the outcome of the vote for the election of directors or the advisory vote on the named executive officer compensation. Abstentions will be included in the calculation of the number of votes considered to be present at the meeting for purposes of determining a quorum, but will not be considered in determining the number of votes necessary for approval and therefore will have no effect on the outcome of the vote for the election of directors, but will have the same effect as voting against the remaining proposals.

We will pay for the costs of soliciting proxies and preparing the 2018 Annual Meeting materials. We ask securities brokers, custodians, nominees and fiduciaries to forward meeting materials to our beneficial shareholders as of the record date, and we will reimburse them for the reasonable out-of-pocket expenses they incur. Our directors, officers and staff members may solicit proxies personally or by telephone, facsimile, e-mail or other means but will not receive additional compensation for doing so.

If you are the beneficial owner, but not the record holder, of shares of our Class A Stock, your broker, custodian or other nominee may only deliver one copy of this proxy statement and our 2017 Annual Report to multiple shareholders who share an address unless we have received contrary instructions from one or more of such shareholders. We will deliver promptly, upon written or oral request, a separate copy of this proxy statement and our 2017 Annual Report to a shareholder at a shared address to which a single copy of the documents was delivered. A shareholder who wishes to receive a separate copy of this proxy statement and 2017 Annual Report, now or in the future, or who wishes to receive directions to the 2018 Annual Meeting, should submit this request by writing to our Secretary at Associated Capital Group, Inc., One Corporate Center, Rye, NY 10580-1422 or by calling our Secretary at (203) 629-9595. Beneficial owners sharing an address who are receiving multiple copies of proxy materials and annual reports and who wish to receive a single copy of such materials in the future will need to contact their broker, custodian or other nominee to request that only a single copy of each document be mailed to all shareholders at the shared address in the future.

All shareholders and properly appointed proxy holders may attend the 2018 Annual Meeting. Shareholders who plan to attend must present valid photo identification. If you hold your shares in a brokerage account, please also bring proof of your share ownership, such as a broker's statement showing that you owned shares of the Company on the record date for the 2018 Annual Meeting or a legal proxy from your broker or nominee. A legal proxy is required if you hold your shares in a brokerage account and you plan to vote in person at the 2018 Annual Meeting. Shareholders of record will be verified against an official list available at the 2018 Annual Meeting. The Company reserves the right to deny admittance to anyone who cannot adequately show proof of share ownership as of the record date for the 2018 Annual Meeting.

The Board has selected each of Francis J. Conroy and Kevin Handwerker to act as proxies. When you sign and return your proxy card, you appoint each of Messrs. Conroy and Handwerker as your representatives at the 2018 Annual Meeting. Unless otherwise indicated on the proxy, all properly executed proxies received in time to be tabulated for the 2018 Annual Meeting will be voted "**FOR**" the election of the nominees named below, "**FOR**" the ratification of the appointment of the Company's independent registered public accounting firm, "**FOR**" the advisory vote on the named executive officer compensation and as the proxyholders may determine in their discretion with regard to any other matter properly brought before the meeting. You may revoke your proxy at any time before the 2018 Annual Meeting by delivering a letter of revocation to our Secretary at Associated Capital Group, Inc., One Corporate Center, Rye, NY 10580-1422, by properly submitting another proxy bearing a later date or by voting in person at the 2018 Annual Meeting. The last proxy you properly submit is the one that will be counted.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held on May 8, 2018.

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Associated Capital makes available free of charge through its website, at www.associated-capital-group.com, its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, its Current Reports on Form 8-K and amendments to such reports, as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission ("SEC"). Copies of certain of these documents may also be accessed electronically by means of the SEC's home page at www.sec.gov. Associated Capital also makes available on its website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx the charters for the Audit Committee, Compensation Committee, Governance Committee and Nominating Committee, as well as its Code of Business

Conduct and Corporate Governance Guidelines. Print copies of these documents are available upon written request to our Secretary at Associated Capital Group, Inc., One Corporate Center, Rye, New York 10580-1422.

EMERGING GROWTH COMPANY

We are an "emerging growth company" under federal securities laws and therefore permitted to take advantage of certain reduced public company reporting requirements. As an emerging growth company, we provide certain of the scaled disclosure permitted under the Jumpstart Our Business Startups Act of 2012, including the compensation disclosures required of a "smaller reporting company," as that term is defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In addition, we are not required to conduct votes seeking approval, on an advisory basis, of the compensation of our named executive officers and are subject to no requirements regarding the frequency with which such votes must be conducted. Nevertheless, we voluntarily elected to conduct such votes at the 2016 Annual Meeting and shareholders approved holding the vote on the compensation of our named executive officers every two years and such frequency was adopted by the Board. We will cease to be an emerging growth company, and, therefore, become ineligible to rely on the above exemptions, if we (a) have more than $1 billion in annual revenue in a fiscal year, (b) issue more than $1 billion of non-convertible debt over a three-year period or (c) become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur after: (i) we have filed at least one annual report; (ii) we have been an SEC-reporting company for at least 12 months; and (iii) the market value of our Class A Stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter.

PROPOSAL 1

ELECTION OF DIRECTORS

The Company’s current directors are as follows (ages are as of March 31, 2018)*:

Name	Age	Position
Mario J. Gabelli	75	Executive Chairman
Richard L. Bready	73	Director
Daniel R. Lee	61	Director
Bruce M. Lisman	71	Director
Frederic V. Salerno	74	Director
Salvatore F. Sodano	62	Director
Douglas R. Jamieson	63	Director, Chief Executive Officer and President

* In addition, Marc Gabelli, age 49, has been nominated and has agreed to stand for election as a director.

The Company’s Amended and Restated Bylaws provide that the Board shall consist of not less than three nor more than twelve directors, the exact number thereof to be fixed from time to time by the Board pursuant to a resolution adopted by a majority of the members then in office. The Board has fixed the number of directors to be elected at the 2018 Annual Meeting at eight.

Our Nominating Committee recommended, and the Board approved, the nomination of (i) each of the current directors and (ii) Marc Gabelli for election to the Board, to hold office until the 2019 Annual Meeting or until their respective successors are duly elected and qualified. Directors who receive a plurality of the votes cast at the 2018 Annual Meeting shall be elected. Each of the nominees has consented to being named in the proxy statement and to serve if elected.

All properly executed proxies received in time to be tabulated for the 2018 Annual Meeting will be voted “**FOR**” the election of the nominees named above, unless otherwise indicated on the proxy. If any nominee becomes unable or unwilling to serve between now and the 2018 Annual Meeting, your proxies may be voted FOR the election of a replacement designated by the Board.

The following are brief biographical sketches of the eight nominees, including their principal occupations at present and for the past five years, as of March 31, 2018. All of the nominees, other than Mr. Marc Gabelli, are currently directors. Unless otherwise noted, the nominated directors have been officers of the organizations named below or of affiliated organizations as their principal occupations for more than five years.

The Board believes that each of the below persons possesses the necessary attributes, skills, qualifications and experience that are appropriate for them to serve as a director of the Company. Our directors have held senior positions as leaders of various entities, demonstrating their ability to perform at the highest levels. The expertise and experience of our directors enable them to provide broad knowledge and sound judgment concerning the issues facing the Company.

The Board has proposed all of the following nominees:

Mario J. Gabelli has served as the Company’s Executive Chairman since the spin-off transaction from GAMCO Investors, Inc. (“GAMCO”) was completed on November 30, 2015. In addition, Mr. Gabelli served as the Chief Executive Officer of the Company until November 2016. Mr. Gabelli has also served as Chairman, Chief Executive Officer, Chief Investment Officer—Value Portfolios and a director of GAMCO since November 1976. In connection with those responsibilities, he serves as director or trustee of registered investment companies managed by GAMCO and its affiliates. Mr. Gabelli also serves as the Chief Executive Officer and Chief Investment Officer of the Value Team of GAMCO Asset Management Inc., GAMCO’s wholly-owned subsidiary. Mr. Gabelli was a portfolio manager for Teton Advisors, Inc. (“Teton”) from 1998 through February 2017. Teton is an asset management company which was spun-off from GAMCO in March 2009. Mr. Gabelli has served as Chairman of LICT Corporation (“LICT’’), a public company engaged in broadband transport and other communications services, from 2004 to the present and has been the Chief Executive Officer of LICT since December 2010. He has also served as a director of CIBL, Inc. ("CIBL"), a holding company with operations in telecommunications that was spun-off from LICT in 2007, from 2007 to the present, and as the Chairman of Morgan Group Holding Co., a public holding company, from 2001 to the present. Mario J. Gabelli was the Chief Executive Officer of Morgan Group Holding Co. from 2001 to November 2012. He has served as a director of ICTC Group, Inc. ("ICTC"), a rural telephone company serving southeastern North Dakota, from July 2013 to the present. In addition, Mr. Gabelli is the Chief Executive Officer, a director and the controlling shareholder of GGCP, Inc. ("GGCP") a private company which owns a majority of the Associated Capital Class B Stock through GGCP Holdings, LLC ("Holdings") a subsidiary of GGCP, and the Chairman of MJG Associates, Inc., which acts as an investment manager of various investment funds and other accounts. Mr. Gabelli serves as Overseer of the Columbia University Graduate School of Business and as a Trustee of Boston College and of Roger Williams University. He also serves as Director of The Winston Churchill Foundation, The E. L. Wiegand Foundation, The American-Italian Cancer Foundation and The Foundation for Italian Art & Culture. He is also Chairman of the Gabelli Foundation, Inc., a Nevada private charitable trust. Mr. Gabelli also serves as Co-President of Field Point Park Association, Inc.

The Board believes that Mr. Gabelli's qualifications to serve on the Board include his forty years of experience with the Company and its predecessors; his control of the Company through his ownership of the majority shareholder and his position as Executive Chairman of the Company.

Richard L. Bready has been a director of the Company since the spin-off transaction from GAMCO was completed on November 30, 2015. Mr. Bready was a Director of GAMCO from May 2006 through December 31, 2015. Mr. Bready previously served as Chairman and Chief Executive Officer of Nortek, Inc., a manufacturer and distributor of building products for residential and commercial applications, from December 1990 until July 2011. He joined Nortek, Inc. in 1975 as Treasurer, was elected a director in 1976 and was appointed Executive Vice President and Chief Operating Officer in 1979. Nortek, Inc. filed for a prepackaged bankruptcy on October 21, 2009 and emerged from bankruptcy on December 17, 2009. Prior to joining Nortek, Inc., Mr. Bready was an independent financial consultant and an audit manager with a major public accounting firm. He serves on the Board of Directors/Trustees of Professional Facilities Management, Inc., Providence Performing Arts Center, Rhode Island Public Expenditure Council, the National Conference of Christians and Jews, the YMCA of Greater Providence, Saint Anselm College, Johnson & Wales University, as Chairman of Roger Williams University and is a Trustee Emeritus of Trinity Repertory Company. Mr. Bready has also served as a director of Bank RI since 2007 and Bancorp Rhode Island, Inc. since 2007, and is on the Advisory Board of Sterling Investment Partners. He is a Corporation Member and serves on the National Council, Alumni Executive Forum and Audit Committee of Northeastern University. Mr. Bready is also a Corporation Member of Rhode Island Hospital.

The Board believes that Mr. Bready's qualifications to serve on the Board include his former position as Chairman and Chief Executive Officer of Nortek, Inc. and his position as a director of other public companies and charitable organizations.

Marc Gabelli has served as President and a director of GGCP since GAMCO's initial public offering in February 1999 and was a director of GAMCO from November 2014 until May 2016. In addition, Mr Gabelli served as President and a director of the Company from completion of the spin-off transaction from GAMCO on November 30, 2015 until November 2016 and May 2017, respectively. His focus is global, catalyst-driven value investing across all market capitalizations and industry sectors. His portfolio assignments have included hedge fund management since 1990 and traditional asset management since 1994. He has managed several Morningstar five star mutual funds and a Lipper #1 ranked global equity mutual fund in the United States. He helped lead GAMCO's initial public offering, built the hedge fund platform of the Company's indirect wholly-owned subsidiary, Gabelli & Partners, LLC, and expanded the business internationally, opening the GAMCO London and Tokyo offices. Marc Gabelli has also served as Chief Executive Officer of Gabelli Securities International Ltd. since 1994, Chairman of The LGL Group, Inc. since 2004, Managing Partner of Horizon Research since 2013, Managing Member of Commonwealth Management Partners LLC since 2008, Director and Managing Partner of GAMA Funds Holdings GmbH since 2009, and a director of LICT since March 2017. Marc Gabelli started his investment career in arbitrage at Lehman Brothers International. He holds an M.B.A. from the Massachusetts Institute of Technology Sloan School of Management, and a B.A. from Boston College. He is a member of the New York Society of Securities Analysts. Marc Gabelli has been registered since 2011 with the FCA to undertake the controlled functions of a CF1 Director and CF3 Chief Executive. He is involved with various educational charities in the United States and Europe. Marc Gabelli is a son of Mario J. Gabelli.

The Board believes that Marc Gabelli's qualifications to serve on our Board include his extensive knowledge of our business and industry, and his financial and leadership expertise as an executive of various investment firms.

Douglas R. Jamieson has served as President and Chief Executive Officer of the Company since November 2016 and as a director since May 2017. He served as President and Chief Operating Officer of GAMCO from August 2004 to November 2016. He has served as a director of GAMCO Asset Management Inc., a wholly-owned subsidiary of GAMCO, since 1991, as its President and Chief Operating Officer since 2004, and as its Executive Vice President and Chief Operating Officer from 1986 to 2004. Mr. Jamieson also serves as President and a director of Gabelli & Company Investment Advisers, Inc. (f/k/a Gabelli Securities, Inc., "GCIA"), a wholly-owned subsidiary of the Company, and GAMCO Asset Management (UK) Ltd., a wholly-owned subsidiary of GAMCO. Mr. Jamieson served on the Board of Teton from 2005 through 2010. Mr. Jamieson also serves as a director of several investment funds that are managed by GCIA. Mr. Jamieson was a securities analyst with Gabelli & Company, Inc. (now known as G.research, LLC, "G.research"), a broker-dealer and indirect wholly-owned subsidiary of the Company, from 1981 to 1986. He was a director of GGCP from December 2005 through December 2009, and served as an advisor to the GGCP board through 2010.

The Board believes that Mr. Jamieson's qualifications to serve on our Board include his business experience, his financial expertise, his experience serving as an executive officer of our Company and his investment experience.

Daniel R. Lee has been a director of the Company since the spin-off transaction from GAMCO was completed on November 30, 2015. Mr. Lee served as a director of GCIA from August 2012 until August 2016 and as a director of Lynch Interactive Corporation from 2000 to 2005 and again from January 2010 to July 2013. He has also served in a number of senior executive and financial positions over the course of a long and distinguished business career. Mr. Lee is currently the Chief Executive Officer, President and a director of Full House Resorts, Inc., a developer and manager of gaming properties headquartered in Las Vegas, NV. He has held these positions since December 2014. Previously, he served as Chairman and Chief Executive Officer of F.P. Holdings, LP, the owner and operator of The Palms Casino Resort in Las Vegas, NV, from September 2013 to July 2014. Prior to that, he was Managing Partner of Creative Casinos, LLC, a casino developer and operator that he sold. He also served as Chairman and Chief Executive Officer of Pinnacle Entertainment, Inc., an owner and operator of gaming entertainment properties, from 2002 to 2009 during which time it was a New York Stock Exchange listed company. He held the positions of Chief Financial Officer, Treasurer and Senior Vice President-Finance of Mirage Resorts, Inc., from 1992 to 1999. Previously, he was a Managing Director of a major brokerage firm and is a Chartered Financial Analyst. Mr. Lee served as a director of ICTC from June 2015 until December 2016 and as a director of LICT from 2000 to 2005 and again from January 2010 to July 2013. Since May 2016, Mr. Lee also serves as a director of Myers Industries Inc. (NYSE: MYE), a diversified manufacturing company focusing on polymer products and wholesale distribution, where he previously served as a director from May 2013 to May 2015.

The Board believes that Mr. Lee's substantial financial experience and expertise, his experience in the financial services industry, and his executive management experience as CEO of a large public corporation make him well-qualified to serve on the Company's board.

Bruce M. Lisman has been a director of the Company since the spin-off transaction from GAMCO was completed on November 30, 2015. Mr. Lisman has served as a director of National Life Group, a mutual life insurance company with approximately $2 billion in revenues, since 2004. Mr. Lisman has also served as a director of PC Construction, an engineering and construction company with approximately $500 million in annual revenues, since August 2013. He has served on the board of directors of Myers Industries, Inc. (NYSE: MYE) since April 2015. In addition, he serves on the board of American Forests. Mr. Lisman was Research Director (1984 to 1987) and Co-Head of the Institutional Equity Division (1987 to 2008) for Bear Stearns Companies Inc. With his leadership, revenues grew from $50 million to $2.37 billion; head count grew from 150 to 2,350; and product and distribution expanded from U.S.-only to operations in Europe, Latin America, Asia ex-China, and China. Pretax income reached $670 million in 2007. After Bear Stearns was acquired by JP Morgan Chase & Co. (NYSE: JPM) in 2008, he became Chairman of JP Morgan's Global Equity Division, retiring in 2009. He also was responsible for Equity Capital Markets and worked extensively with CEOs, CFOs, and boards of directors across a variety of industries. Earlier in his career, Mr. Lisman was Director of Global Research at Lehman Brothers and before that he was an analyst covering banking companies (voted to Institutional Investor's Analyst All Star Team four times for banking industry analysis), as well as distribution, real estate, and capital goods companies. He previously served on the boards of Central Vermont Public Service, a public company from 2004 to 2009, Merchants Bancshares (NasdaqGS:MBVT) from 2005 to 2016 and The Pep Boys – Manny, Moe & Jack (NYSE: PBY) from 2015 until 2016 when it was sold, Hewitt School, Pace University, HS Broadcasting, BRUT, Inc., Vermont Electric Power Company, Inc., STRYKE Trading, Shelburne Museum, and the Vermont Symphony Orchestra. Mr. Lisman graduated from the University of Vermont in 1969 and also served as its Chair for two years.

The Board believes that Mr. Lisman's qualifications to serve on our Board include his extensive board experience as a chair, vice chair, and committee chair/member in a broad range of businesses and civic organizations, in addition to his experience serving as an executive officer and his investment experience.

Frederic V. Salerno has been a director of the Company since February 2017. Mr. Salerno is the former Vice Chairman of Verizon Communications, Inc. ("Verizon"). Before the merger of Bell Atlantic and GTE Corporation, Mr. Salerno was Senior Executive Vice President, Chief Financial Officer of Bell Atlantic and served in the Office of the Chairman from 1997 to 2001. Prior to joining Bell Atlantic, he served as Executive Vice President and Chief Operating Officer of New England Telephone from 1985 to 1987, President and Chief Executive Officer of New York Telephone from 1987 to 1991 and Vice Chairman, Finance and Business Development at NYNEX from 1991 to 1997. Mr. Salerno is also the chairman of GGCP. Mr. Salerno currently serves as non-executive chairman of Akamai Technologies, Inc. and on the Board of Directors of Intercontinental Exchange, Inc. and Florida Community Bank. He also previously served as a board member of National Fuel Gas Company, Popular, Inc., Viacom and CBS.

The Board believes that Mr. Salerno's qualifications to serve on the Board include his former position as Vice Chairman of Verizon and his past and current positions as a director of other public and private companies and charitable organizations.

Salvatore F. Sodano has been a director of the Company since the spin-off transaction from GAMCO was completed on November 30, 2015. Mr. Sodano has served as Vice Chairman at Broadridge Financial Solutions since June 2016, where he leads Broadridge Advisor Solutions ("BAS"). BAS provides enterprise and advisor digital marketing, communications, data aggregation and analytics to the wealth management industry. Mr. Sodano has served as chairman and chief executive officer of Worldwide Capital Advisory Partners, LLC ("Worldwide Capital") since April 2013. Worldwide Capital provides research and advisory services on corporate finance and investment activities, management, operations and technology matters. Since October 2012, Mr. Sodano has also served as a senior advisor to the chief executive officer of Burke & Quick Partners, where he previously served as chairman of strategy and business development from October 2012 to August 2013. Mr. Sodano has served as Vice Chairman and a member of the board of directors of GCIA from September 2014 through August 2016 and has served as Chairman of the Audit Committee of the board of directors of GCIA from January 2015 through August 2016. In January 2015, Mr. Sodano also became Chairman of the Board of Directors and Chairman of the Executive Committee and the Executive Compensation Committee of Catholic Health Services, a 17,000-employee healthcare system. From June 2006 to June 2010, Mr. Sodano served as the Dean of the Frank G. Zarb School of Business at Hofstra University. Mr. Sodano also served as Chairman of Hofstra University's Board of Trustees for the maximum three one-year terms from October 2002 through October 2005. From 1997 to 2004, Mr. Sodano held increasingly senior roles at the National Association of Securities Dealers, Inc. (the "NASD") and its affiliated companies. Mr. Sodano was serving as Deputy Chief Operating Officer and Chief Financial Officer of the NASD in 1998 when it acquired the American Stock Exchange (the "AMEX"). From 1999 to 2000, Mr. Sodano simultaneously served as Chairman and Chief Executive Officer of the AMEX and Chief Operating Officer and Chief Financial Officer of the NASD. He served as a member of the Board of Governors of the NASD from 1999 to 2004. Mr. Sodano was appointed Vice Chairman of the NASD Board of Governors in 2000, at which point he relinquished his role as Chief Operating Officer and Chief Financial Officer of the NASD. Mr. Sodano served as Vice Chairman of the NASD Board of Governors and Chairman and Chief Executive Officer of the AMEX until it was sold in 2004. He remained Chairman of the AMEX until he retired in 2005. Mr. Sodano has been the Sorin Distinguished Teaching Fellow at the Frank G. Zarb School of Business at Hofstra University and is currently an adjunct Full Professor.

The Board believes that Mr. Sodano's qualifications to serve on our Board include his business and academic experience, his financial expertise, including his audit committee experience, his experience as a member of the GCIA board of directors and as Chairman of the GCIA Audit Committee.

Recommendation

The Board recommends that shareholders vote "**FOR**" all of the nominees to our Board.

Vote Required

Nominees who receive a plurality of the votes cast will be elected to serve as directors of the Company until the 2019 Annual Meeting or until their successors are duly elected and qualified. Withheld votes and broker non-votes, if any, will have no effect on the outcome of this proposal. Shareholders who return a signed proxy card but do not indicate how they wish to vote on Proposal 1 will be deemed to have voted "**FOR**" all nominees.

PROPOSAL 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

We are asking our shareholders to ratify the selection of Deloitte & Touche LLP ("D&T") as the Company's independent registered public accountants. In accordance with our governance documents, the Board believes that such submission is consistent with best practices in corporate governance and is an opportunity for shareholders to provide direct feedback to the Board on an important issue of corporate governance. In the event that the shareholders do not approve the selection of D&T, the Audit Committee will reconsider the selection of D&T. Ultimately, however, the Audit Committee retains full discretion and will make all determinations with respect to the appointment of the independent auditors, whether or not the Company's shareholders ratify the appointment.

For additional information regarding the selection of D&T as the Company's independent registered public accountants, please see the section captioned *Independent Registered Public Accounting Firm* appearing elsewhere in this proxy statement.

Recommendation

The Board recommends that shareholders vote "**FOR**" ratification of D&T as the Company's independent registered public accountants for the year ended December 31, 2018.

Vote Required

Approval of Proposal 2 requires the affirmative vote of a majority of the votes cast on the proposal. Shareholders who return a signed proxy card but do not indicate how they wish to vote on Proposal 2 will be deemed to have voted **"FOR"** Proposal 2. Broker non-votes, if any, will have no effect on the outcome of this proposal. Abstentions, if any, will have the same effect as a vote against this proposal.

PROPOSAL 3

ADVISORY VOTE ON THE NAMED EXECUTIVE OFFICER COMPENSATION

As an emerging growth company, we are not required to conduct votes seeking approval, on an advisory basis, of the compensation of our named executive officers or the frequency with which such votes must be conducted. However, the Company has voluntarily elected to provide shareholders with the opportunity to cast such votes every two years.

The Company's goal for its executive compensation program is to attract, motivate and retain talented persons. The Company seeks to accomplish this goal in a way that rewards performance and is aligned with its shareholders' long-term interests. The Company believes that its executive compensation program satisfies this goal and is strongly aligned with the long-term interests of its shareholders.

The Company requests shareholders' approval of the compensation of the Company's named executive officers as disclosed elsewhere in this proxy statement, pursuant to SEC compensation disclosure rules.

As an advisory vote, this proposal is not binding upon the Company. However, the Compensation Committee, which is responsible for designing and administering the Company's executive compensation program, values the opinion expressed by shareholders on this proposal and will consider the outcome of the vote when making future compensation decisions for the named executive officers.

Recommendation

The Board recommends that shareholders vote **"FOR"** the compensation of the Company's named executive officers' compensation.

Vote Required

Approval of Proposal 3 requires the affirmative vote of a majority of the votes cast on the proposal. Shareholders who return a signed proxy card but do not indicate how they wish to vote on Proposal 3 will be deemed to have voted **"FOR"** Proposal 3. Broker non-votes, if any, will have no effect on the outcome of this proposal. Abstentions, if any, will have the same effect as a vote against this proposal.

CORPORATE GOVERNANCE

Associated Capital continually strives to maintain the highest standards of ethical conduct: reporting results with accuracy and transparency and maintaining full compliance with the laws, rules and regulations that govern the Company's businesses. The Company is active in ensuring that its governance practices continue to serve the interests of its shareholders and remain at the leading edge of best practices.

Determination of Director Independence

The Board has established guidelines which it uses in determining director independence and that are based on the director independence standards of the New York Stock Exchange. A copy of these guidelines can be found as Annex A. These guidelines are also attached to the Board's Corporate Governance Guidelines, which are available at the following website: http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. A copy of these guidelines may also be obtained upon request from our Secretary.

In making its determination of independence with respect to Messrs. Bready, Lee and Lisman, the Board considered that from time to time, investment advisory affiliates of GAMCO have nominated and may continue to nominate them to the boards of directors of public companies and also Mr. Bready's former service on the Board of Directors of GAMCO. In making its determination of independence with respect to Messrs. Sodano, Salerno and Lee, the Board considered Mr. Salerno's service on the board of directors of GGCP and Mr. Sodano's and Mr. Lee's former service on the board of directors of GCIA.

With respect to these relationships, the Board considered Messrs. Bready's, Lee's, Lisman's, Salerno's and Sodano's lack of economic dependence on the Company and other personal attributes that need to be possessed by independent-minded directors. Based on these guidelines and considerations, the Board concluded that the foregoing directors were independent and determined that none of them had a material relationship with us which would impair his ability to act as an independent director.

The table below sets forth certain information regarding our current directors and the Committees on which they serve.

Name	Audit Committee	Governance Committee	Compensation Committee	Nominating Committee
Mario J. Gabelli				X (Chair)
Richard L. Bready	X		X (Chair)	
Frederic V. Salerno		X		X
Daniel R. Lee		X	X	
Bruce M. Lisman	X	X (Chair)		
Salvatore F. Sodano	X (Chair)			

Committee assignments for 2018 will be made after the annual election of directors.

The Board's Role in the Oversight of Risk

The Board's oversight of risk is administered directly through the Board, as a whole, or through its Committees. Various reports and presentations regarding risk management are presented to the Board including the procedures that the Company has adopted to identify and manage risk. Each of the Board's Committees addresses risks that fall within the Committee's area of responsibility. For example, the Audit Committee is responsible for "overseeing the quality and objectivity of Associated Capital's financial statements and the independent audit thereof." The Audit Committee reserves time at each of its quarterly meetings to meet with the Company's independent registered public accounting firm outside of the presence of the Company's management. The Director of Internal Audit also is significantly involved in risk management evaluation and designs the Company's internal audit programs to take account of risk evaluation and work in conjunction with the Chief Financial Officer. The Director of Internal Audit reports directly to the Company’s Audit Committee.

Relationship of Compensation and Risk

The Compensation Committee of the Board works with the Executive Chairman and Chief Executive Officer and President in reviewing the significant elements of the Company’s compensation policies and programs for all staff. They evaluate the intended behaviors each program is designed to incentivize to ensure that such policies and programs are appropriate for the Company.

The Board and Committees

During 2017, there were five meetings of the Board. Our Board has an Audit Committee, a Compensation Committee, a Governance Committee and a Nominating Committee. We are deemed to be a “controlled company” as defined by the corporate governance standards of the New York Stock Exchange by virtue of the fact that GGCP holds more than 50% of the voting power of the Company. As a result, we are exempt from the corporate governance standards of the New York Stock Exchange requiring that a majority of the Board be independent and that all members of the Governance, Nominating and Compensation Committees be independent. While the Company is a controlled company, the Board nevertheless is comprised of a majority of independent directors.

At least once each year, our independent directors meet in a separate executive session. Mr. Salerno serves as lead independent director and chairs the meetings of our non-management and independent directors.

The Audit Committee regularly meets with our independent registered public accounting firm to ensure that satisfactory accounting procedures are being followed and that internal accounting controls are adequate, reviews fees charged by the independent registered public accounting firm and selects our independent registered public accounting firm. Messrs. Sodano, Bready and Lisman, each of whom is an independent director as defined by the corporate governance standards of the New York Stock Exchange and the Company’s guidelines as set forth in Annex A, are members of the Audit Committee. The Board has determined that Mr. Sodano meets the standards of an “audit committee financial expert,” as defined by the applicable securities regulations. The Audit Committee met four times during 2017. A copy of the Audit Committee’s charter is posted on our website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. A shareholder may also obtain a copy of the charter upon written request from our Secretary delivered to our principal executive office.

The Compensation Committee reviews the amounts paid to the Executive Chairman for compliance with the terms of his employment agreement and generally reviews benefits and compensation for the other executive officers, including the Chief Executive Officer. It also administers our Stock Award and Incentive Plan. Messrs. Bready and Lee, each of whom is an independent director, are the members of the Compensation Committee. The Compensation Committee does not have a formal policy regarding delegation of its authority. The Compensation Committee met once during 2017. A copy of the Compensation Committee’s charter is posted on our website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. A shareholder may also obtain a copy of the charter upon written request from our Secretary delivered to our principal executive office.

The Governance Committee advises the Board on governance policies and procedures. Messrs. Lisman, Salerno and Lee, each of whom is an independent director, are the members of the Governance Committee. The Governance Committee held one meeting during 2017. A copy of the Governance Committee’s charter is posted on our website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. A shareholder may also obtain a copy of the charter upon written request from our Secretary delivered to our principal executive office.

The Nominating Committee advises the Board on the selection and nomination of individuals to serve as directors of the Company. Nominations for director, including nominations for director submitted to the committee by shareholders, are evaluated according to our needs and the nominee’s knowledge, experience and background. Mr. Mario Gabelli and Mr. Salerno are the members of the Nominating Committee. Mr. Mario Gabelli is not an independent director as defined by the corporate governance standards of the Company. During 2017, the Nominating Committee recommended the re-appointment of Mr. Marc Gabelli to the Board, and that appointment was confirmed by the full Board. A copy of the Nominating Committee’s charter is posted on our website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. A shareholder may also obtain a copy of the charter upon written request from our Secretary delivered to our principal executive office. The Nominating Committee has adopted the following policy regarding diversity: When identifying nominees as directors, the Committee will have a bias to have diverse representation of candidates who serve or have served as chief executive officers or presidents of public or private corporations or entities that are either for-profit or not-for-profit. In accordance with its charter, the Nominating Committee will review the suitability for continued service as a director of each Board member when his or her term expires and when he or she has a change in status, including but not limited to an employment change, and recommend whether or not the director should be re-nominated. The Nominating Committee will review annually with the Board the composition of the Board as a whole and recommend, if necessary, measures to be taken.

Consideration of Director Candidates Recommended by Shareholders

Except as set forth in the Company's Amended and Restated Bylaws, the Nominating Committee does not have a formal policy regarding the recommendation of director candidates by shareholders. The Board believes it is appropriate not to have such a policy because GGCP holds the majority of the voting power. Nevertheless, the Nominating Committee will consider appropriate candidates recommended by shareholders. Under the process described below, a shareholder wishing to submit such a recommendation should send a letter to our Secretary at One Corporate Center, Rye, NY 10580. The mailing envelope must contain a clear notation that the enclosed letter is a "Director Nominee Recommendation." The letter must identify the author as a shareholder and provide a brief summary of the candidate's qualifications and otherwise comply with the requirements of our Amended and Restated Bylaws. At a minimum, candidates recommended for election to the Board must meet the independence standards of the New York Stock Exchange as well as any criteria used by the Nominating Committee. The Nominating Committee will consider and evaluate candidates recommended by shareholders in the same manner as it considers candidates from other sources. Acceptance of a recommendation does not imply that the committee will ultimately nominate the recommended candidate.

Process for the Consideration of Director Candidates Nominated by Shareholders and of Business Proposed by Shareholders

Associated Capital's Amended and Restated Bylaws set forth the processes and advance notice procedures that shareholders of Associated Capital must follow, and specifies additional information that shareholders of Associated Capital must provide, when proposing director nominations at any annual or special meeting of Associated Capital's shareholders or other business to be considered at an annual meeting of shareholders. Generally, the Company's Amended and Restated Bylaws provide that advance notice of shareholder nominations or proposals of business be provided to Associated Capital not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the preceding annual meeting of shareholders. For the 2019 annual meeting of shareholders therefore, such notice of nomination or other business must be received at Associated Capital's principal executive offices between January 8, 2019 and February 7, 2019.

Article III, Paragraph 8 of Associated Capital's Amended and Restated Bylaws sets out the procedures a shareholder must follow in order to nominate a candidate for Board membership. For these requirements, please refer to the Amended and Restated Bylaws as of November 19, 2015, filed with the SEC on November 25, 2015, as Exhibit 3.2 to a Current Report on Form 8-K.

Director Attendance

During 2017, all of the directors attended at least 75% of the meetings of the Board and the Board committees of which he or she was a member. Messrs. Mario J Gabelli, Jamieson and Sodano, attended our 2017 annual meeting of shareholders. We do not have a policy regarding directors' attendance at our annual meetings.

Compensation of Directors

Neither Mr. Mario Gabelli nor Mr. Jamieson received compensation for serving as a director of the Company in 2017. All non-executive directors (which does not include Mr. Mario Gabelli and Mr. Jamieson) receive annual cash retainers and meeting fees as follows:

Board Member	$60,000
Audit Committee Chairman	$20,000
Compensation Committee Chairman	$12,000
Governance Committee Chairman	$12,000
Attendance per Board Meeting	$5,000
Attendance per Audit Committee Meeting	$4,000
Attendance per Compensation and Governance Committees Meeting	$3,000

In the event that Mr. Marc Gabelli is elected to the Board at the 2018 Annual Meeting, he will serve as a non-executive director and will receive the annual cash retainers and meeting fees noted above.

Director Compensation Table for 2017.

The following table sets forth fees, awards, and other compensation paid to or earned by our non-executive directors in 2017.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (a) (b)	Option Awards ($) (c)	Total ($)
Richard L. Bready	$119,000	-0-	-0-	$119,000
Daniel R. Lee	89,000	-0-	-0-	89,000
Bruce M. Lisman	107,000	-0-	-0-	107,000
Frederic V. Salerno	78,833	-0-	-0-	78,833
Salvatore F. Sodano	121,000	-0-	-0-	121,000

(a) There were no AC restricted stock awards granted to any non-executive directors during 2017. See the *Summary Compensation Table for 2017* and footnotes on page 17 for information on Mr. Mario Gabelli's and Mr. Jamieson's compensation as named executive officers. Also see *Outstanding Equity Awards at December 31, 2017* on page 18 for information on Mr. Jamieson's restricted stock awards.

(b) There were no restricted stock awards outstanding to any non-executive directors at December 31, 2017.

(c) There were no option awards outstanding to any directors at December 31, 2017.

Communications with the Board

Our Board has established a process for shareholders and other interested parties to send communications to the Board. Shareholders or other interested parties who wish to communicate with the Board, the non-management or independent directors, or a particular director may send a letter to our Secretary at Associated Capital Group, Inc., One Corporate Center, Rye, NY 10580-1422. The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Board Communication" or "Director Communication." All such letters must identify the author and clearly state whether the intended recipients are all members of the Board or just certain specified individual directors. The Secretary will make copies of all such letters and circulate them to the appropriate director or directors.

Code of Business Conduct

We have adopted a Code of Business Conduct and Ethics (the "Code of Conduct") that applies to all of our officers, directors and staff members with additional requirements for our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The Code of Conduct is posted on our website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. Any shareholder may also obtain a copy of the Code of Conduct upon request. Shareholders may address a written request for a printed copy of the Code of Conduct to our Secretary at Associated Capital Group, Inc., One Corporate Center, Rye, New York 10580-1422. We intend to satisfy the disclosure requirement regarding any amendment to, or a waiver of, a provision of the Code of Conduct by posting such information on our website.

Transactions with Related Persons

Our Board has adopted written procedures governing the review, approval or ratification of any transactions with related persons required to be reported in this proxy statement. The procedures require that all related party transactions, other than certain pre-approved categories of transactions, be reviewed and approved by our Governance Committee or the Board. Under the procedures, directors may not participate in any discussion or approval by the Board of related party transactions in which they or a member of their immediate family is an interested person, except that they shall provide information to the Board concerning the transaction. Only transactions that are found to be in the best interests of the Company will be approved.

Currently, we have a number of policies and procedures addressing conflicts of interest. Our Code of Conduct addresses the responsibilities of our officers, directors and staff to disclose conflicts of interest to our Legal/Compliance Department, which determines whether the matter constitutes a related party transaction that should be reviewed by our Governance Committee or Board. Generally, matters involving employer-employee relationships including compensation and benefits, ongoing arrangements that existed prior to our spin-off from GAMCO on November 30, 2015 and financial service relationships, including investments in our investment partnerships are not presented for review, approval or ratification by our Governance Committee or Board.

Furthermore, our Amended and Restated Certificate of Incorporation provides that no contract, agreement, arrangement or transaction, or any amendment, modification or termination thereof, or any waiver of any right thereunder, (each, a "Transaction") between Associated Capital and:

(i) Mario J. Gabelli, any member of his immediate family who is at the time an officer or director of Associated Capital and any entity in which one or more of the foregoing beneficially owns a controlling interest of the outstanding voting securities or comparable interests (each, a "Gabelli");

(ii) any customer or supplier;

(iii) any entity in which a director of Associated Capital has a financial interest (a "Related Entity"); or

(iv) one or more of the directors or officers of Associated Capital or any Related Entity;

will be voidable solely because any of the persons or entities listed in (i) through (iv) above are parties thereto, if the standard specified below is satisfied.

Further, no Transaction will be voidable solely because any such directors or officers are present at or participate in the meeting of the Board or committee thereof that authorizes the Transaction or because their votes are counted for such purpose, if the standard specified below is satisfied. That standard will be satisfied, and such Gabelli, the Related Entity, the directors and officers of Associated Capital or the Related Entity (as applicable) will be deemed to have acted reasonably and in good faith (to the extent such standard is applicable to such person's conduct) and fully to have satisfied any duties of loyalty and fiduciary duties they may have to Associated Capital and its shareholders with respect to such Transaction, if any of the following four requirements are met:

(i) the material facts as to the relationship or interest and as to the Transaction are disclosed or known to the Board or the committee thereof that authorizes the Transaction, and the Board or such committee in good faith approves the Transaction by the affirmative vote of a majority of the disinterested directors of the Board or such committee, even if the disinterested directors represent less than a quorum;

(ii) the material facts as to the relationship or interest and as to the Transaction are disclosed or known to the holders of voting stock entitled to vote thereon, and the Transaction is specifically approved by vote of the holders of a majority of the voting power of the then outstanding voting stock not owned by such Gabelli or such Related Entity, voting together as a single class;

(iii) the Transaction is effected pursuant to guidelines that are in good faith approved by a majority of the disinterested directors of the Board or the applicable committee thereof or by vote of the holders of a majority of the then outstanding voting stock not owned by such Gabelli or such Related Entity, voting together as a single class; or

(iv) the Transaction is fair to Associated Capital as of the time it is approved by the Board, a committee thereof or the shareholders of Associated Capital.

For purposes of these provisions, interests in an entity that are not equity or ownership interests or that constitute less than 10% of the equity or ownership interests of such entity will not be considered to confer a financial interest on any person who beneficially owns such interests.

Our Amended and Restated Certificate of Incorporation also provides that any such Transaction authorized, approved, or effected, and each of such guidelines so authorized or approved, as described in (i), (ii) or (iii) above, will be deemed to be entirely fair to Associated Capital and its shareholders, except that, if such authorization or approval is not obtained, or such Transaction is not so effected, no presumption will arise that such Transaction or guideline is not fair to Associated Capital and its shareholders. In addition, our Amended and Restated Certificate of Incorporation provides that a Gabelli will not be liable to Associated Capital or its shareholders for breach of any fiduciary duty that a Gabelli may have as a director of Associated Capital by reason of the fact that a Gabelli takes any action in connection with any transaction between such Gabelli and Associated Capital. A description of certain related party transactions appears under the heading *Certain Relationships and Related Transactions* on pages 21 to 26 of this proxy statement.

Compensation Committee Interlocks and Insider Participation

Our Compensation Committee consists of Messrs. Bready and Lee. Neither of these individuals has ever been an officer or employee of the Company. During 2017, none of our executive officers served on the board of directors or compensation committee of any entity that employed any member of our Compensation Committee or served on the compensation committee of any entity, other than the Company and GAMCO, that employed any member of our Board.

INFORMATION REGARDING NAMED EXECUTIVE OFFICERS

Introduction

We are an "emerging growth company" under applicable federal securities laws. As an emerging growth company, we are providing compensation information pursuant to the reduced disclosure obligations applicable to emerging growth companies.

Named Executive Officers

As an emerging growth company, our "named executive officers" for the 2017 fiscal year are (i) our principal executive officer, (ii) our two other most highly compensated executive officers other than our principal executive officer at the end of the 2017 fiscal year, and (iii) up to two additional individuals for whom disclosure would have been provided pursuant to (ii) above but for the fact that the individual was not serving as an executive officer at the end of the 2017 fiscal year. The named executive officers of the Company as of March 31, 2018 are as follows (ages are as of that date):

Name	Age	Position
Mario J. Gabelli	75	Executive Chairman
Douglas Jamieson	63	Chief Executive Officer and President
Kevin Handwerker	61	Executive Vice President, General Counsel and Secretary

Patrick Dennis, age 46, who served as Executive Vice President and Chief Financial Officer of the Company until his resignation on November 7, 2017, is also a named executive officer for our 2017 fiscal year.

Biographical information for Mr. Mario J. Gabelli and Mr. Jamieson appear under *Proposal 1- Election of Directors* above. A brief biographical sketch of Mr. Handwerker is set forth below:

Kevin Handwerker has served as Executive Vice President, General Counsel and Secretary of the Company since December 2015. Mr. Handwerker has also served as Executive Vice President, General Counsel and Secretary of GAMCO since November 2013. Mr. Handwerker was Managing Director at Neuberger Berman LLC from 2000 through October 2013. Previously, Mr. Handwerker held senior positions in National Financial Partners Corp. and J.P. Morgan Investment Management Inc. He began his law career at Shearman & Sterling LLP, representing financial institutions and other entities in public and private financings, mergers and acquisitions and merchant banking transactions. Mr. Handwerker received his J.D. from Fordham University School of Law after earning his B.S. in Accounting, *summa cum laude*, from the State University of New York at Albany.

COMPENSATION OF EXECUTIVE OFFICERS

Summary Compensation Table for 2017

The following table sets forth the cash and non-cash compensation for fiscal years ended 2016 and 2017 paid to or earned by our named executive officers for services rendered to the Company's businesses. The compensation paid to our named executive officers for the fiscal years set forth below is not necessarily indicative of how we will compensate our named executive officers in future years.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards (a) ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Mario J. Gabelli	2017	-0-	-0-	-0-	-0-	1,206,375	1,206,375 (b)
Executive Chairman (Chief Executive Officer until November 10, 2016)	2016	-0-	-0-	-0-	-0-	1,720,616	1,720,616 (b)
Douglas R. Jamieson	2017	400,000	700,000	-0-	-0-	237,269	1,337,269 (c)
Chief Executive Officer and President (from November 10, 2016)	2016	-0-	400,000	-0-	-0-	297,026	697,026 (c)
Patrick Dennis	2017	298,397	150,000	-0-	-0-	-0-	448,397
Executive Vice President and Chief Financial Officer (from December 7, 2015 to November 7, 2017)	2016	350,000	350,000	-0-	-0-	-0-	700,000
Kevin Handwerker	2017	133,000	133,000	-0-	-0-	1,900	267,900 (d)
Executive Vice President, General Counsel and Secretary	2016	80,500	80,500	-0-	-0-	1,150	162,150 (d)

(a) There were no stock awards granted to named executives in 2016 or 2017.

(b) Mr. Mario Gabelli received no fixed salary or bonus in 2016 or 2017. All other compensation consisted of the following:

	Incentive Management Fee of Associated Capital* ($)	Portfolio Manager and Other Variable Remuneration ($)	Perquisites ($)	Total Remuneration ($)
2017	713,045	493,330	-0-	1,206,375
2016	1,065,575	648,978	-0-	1,720,616

* As described in the *Employment Agreements* section below.

Incentive Management Fee in the table above is net of reallocation to other employees. Portfolio Manager and Other Variable Remuneration relates to fees earned for acting as portfolio and relationship manager of investment partnerships.

(c) All other compensation represents compensation as the relationship manager for certain client accounts. Mr. Jamieson earned $3,374,206 and $3,936,915 for 2016 and 2017, respectively, in connection with services provided to GAMCO that is not reflected in the table above.

(d) All other compensation represents payments in lieu of health insurance. Mr. Handwerker earned $692,850 and $587,100 for 2016 and 2017, respectively, in connection with services provided to GAMCO that is not reflected in the table above.

Employment Agreements.

Mr. Mario J. Gabelli is currently the only named executive who has an employment agreement with the Company.

On November 30, 2015, Mr. Gabelli entered into the Employment Agreement with the Company, which was approved by the Company's shareholders on November 12, 2015 and which limits his activities outside of the Company. The Employment Agreement has a three-year initial term with an automatic extension for an additional year on each anniversary of its effective date unless either party gives written notice of termination at least 90 days in advance of the expiration date. The Employment Agreement provides that Mr. Gabelli may not provide investment management services for compensation other than in his capacity as an officer or employee of AC, GAMCO, GGCP, LICT, CIBL, ICTC or Teton or their respective subsidiaries or affiliates except as to certain funds which were in existence at the time of the GAMCO initial public offering and which are subject to performance fee arrangements (collectively "Permissible Accounts"). During 2016 and 2017, Mr. Gabelli served as a portfolio manager for various mutual funds and separately managed accounts managed by subsidiaries of GAMCO or Teton. The Employment Agreement permits Mr. Gabelli to serve as a director or officer of other entities, with or without compensation.

Mr. Gabelli (or, at his option, his designee) receives an Incentive Management Fee in the amount of 10% of our aggregate annual pre-tax profits, if any, as computed for financial reporting purposes in accordance with U.S. generally accepted accounting principles (before consideration of this fee) so long as he is providing services to the Company. Mr. Gabelli will be deemed to be "providing services" to the Company if he is providing any services to the Company, including, without limitation, services as a director, employee, portfolio manager, advisor or consultant. This Incentive Management Fee is subject to the Compensation Committee's review at least annually for compliance with the terms of the Employment Agreement. The Employment Agreement may not be amended without the approval of the Compensation Committee and Mr. Gabelli.

Consistent with the practice of GAMCO since its inception in 1976, Mr. Gabelli also receives a percentage of revenues or net operating contribution, which are substantially derived from managing or overseeing the management of investment companies or partnerships, attracting investors for collective investment funds or partnership investments, attracting and/or managing separate accounts, providing investment banking services or otherwise generating revenues for the Company or its subsidiaries. Mr. Gabelli will be paid a percentage of the revenues or net operating contribution related to or generated by such business activities, in a manner and at payment rates as agreed to from time to time by Mr. Gabelli and the Company or the affected subsidiaries, which rates have been and generally will be the same as those received by other professionals in the Company or the affected subsidiaries performing similar services.

Dual Employees

In connection with our spin-off from GAMCO on November 30, 2015, we entered into a Transitional Administrative and Management Services Agreement with GAMCO. Pursuant to this agreement, certain employees perform services for both the Company and GAMCO. See *Transitional Administrative and Management Services Agreement* on page 21 for more information. The compensation paid to a dual employee is allocated between the companies based on the relative time spent working for each entity. Messrs. Mario J. Gabelli, Jamieson and Handwerker are dual employees; the footnotes to the Summary Compensation Table above provide information regarding their compensation paid by GAMCO.

Outstanding Equity Awards at December 31, 2017

There were no outstanding equity awards for any of the named executives at December 31, 2017.

Certain dual employees may hold GAMCO restricted stock awards (e.g., due to grants prior to the spin-off of the Company). Mr. Jamieson holds 5,000 unvested GAMCO restricted stock awards at December 31, 2017 with a market value of $148,250. Mr. Handwerker holds 700 unvested GAMCO restricted stock awards at December 31, 2017 with a market value of $20,755.

Option Exercises and Stock Vested for 2017

The following table summarizes stock options exercised by and restricted stock awards ("RSAs") which vested for the named executives during 2017.

	Option awards		Restricted stock awards	
Name	**Number of shares acquired on exercise (#)**	**Value realized on exercise ($)**	**Number of shares acquired on vesting (#)**	**Value realized on vesting ($)**
Mario J. Gabelli	-0-	-0-	-0-	-0-
Douglas Jamieson	-0-	-0-	6,200	214,210 (a)
Patrick Dennis	-0-	-0-	-0-	-0-
Kevin Handwerker	-0-	-0-	1,000	34,550 (b)

(a) Includes $1,240 payment on the vesting date of accumulated cash dividends on these RSAs. The realized value on vesting of Mr. Jamieson's GAMCO vested stock awards for the year ended December 31, 2017 was $36,492. The total value realized on the vesting of the GAMCO and Associated Capital awards held by Mr. Jamieson that vested during 2017 (including the payment of accumulated cash dividends on the vesting date) was $250,702.

(b) Includes $200 payment on the vesting date of accumulated cash dividends on these RSAs. The realized value on vesting of Mr. Handwerker's GAMCO vested stock awards for the year ended December 31, 2017 was $8,859. The total value realized on the vesting of the GAMCO and Associated Capital awards held by Mr. Handwerker that vested during 2017 (including the payment of accumulated cash dividends on the vesting date) was $43,409.

During 2017, the Board accelerated the vesting of all outstanding RSAs. In addition, the Board of Directors of GAMCO also determined to accelerate the vesting of certain outstanding GAMCO RSAs during 2017.

Pension Benefits for 2017

There were no pension benefit plans for any of the named executives during 2017.

Nonqualified Deferred Compensation Table for 2017

There was no nonqualified deferred compensation payable to the named executives during 2017.

Potential Payments Upon Termination of Employment or Change of Control

There were no potential payments upon termination of employment or change of control for any of the named executives as of December 31, 2017. The unvested value of GAMCO RSAs, including accrued but unpaid dividends, would be payable to Messrs. Jamieson and Handwerker upon a change of control of GAMCO. These amounts are $154,930 and $21,287, respectively.

CERTAIN OWNERSHIP OF OUR STOCK

The following table sets forth, as of March 1, 2018, certain information with respect to all persons known to us who beneficially own more than 5% of the Class A Stock or Class B Stock. The table also sets forth information with respect to stock ownership of the directors, nominees, each of the executive officers named in the Summary Compensation Table, and all directors and executive officers as a group. The number of shares beneficially owned is determined under rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares over which a person has the sole or shared voting or investment power and any shares which the person can acquire within 60 days (e.g., through the exercise of stock options). Except as otherwise indicated, the shareholders listed in the table have sole voting and investment power with respect to the shares set forth in the table.

Name of Beneficial Owner	Title of Class	Number of Shares		Percent of Class (%)
5% or More Shareholders				
BlackRock, Inc.	Class A	336,248	(1)	7.56(a)
The Vanguard Group	Class A	375,271	(2)	8.44(a)
Horizon Kinetics LLC	Class A	1,326,041	(3)	29.82(a)
Directors, Nominees and Executive Officers				
Mario J. Gabelli	Class A	1,851		(b)
	Class B	18,927,036	(4)	98.64(a)
Marc Gabelli	Class A	20,766		(b)
	Class B	3,018		(b)
Douglas R. Jamieson	Class A	16,568	(5)	(b)
	Class B	29,471		(b)
Patrick Dennis	Class A	-0-		
Kevin Handwerker	Class A	441		(b)
Richard L. Bready	Class A	-0-		
Daniel R. Lee	Class A	-0-		
Bruce M. Lisman	Class A	6,000		(b)
Frederic V. Salerno	Class A	-0-		
Salvatore F. Sodano	Class A	-0-		
All Directors, Nominees & Executive Officers as a Group (10 persons)	Class A	45,626		1.03
	Class B	18,959,525		98.81

(a) The address of each beneficial owner of more than 5% of the Class A Stock or Class B Stock is as follows: BlackRock, Inc., 55 East 52nd Street, New York, NY 10055; The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355; Horizon Kinetics LLC, 470 Park Avenue South, 4th Floor South, New York, NY 10016; and Mario J. Gabelli, GAMCO Investors, Inc., One Corporate Center, Rye, NY 10580.

(b) Represents beneficial ownership of less than 1%.

(1) As reported in Amendment No. 1 to Schedule 13G that was filed with the SEC by BlackRock, Inc. on January 29, 2018.

(2) As reported in Amendment No. 2 to Schedule 13G that was filed with the SEC by The Vanguard Group on February 7, 2018.

(3) As reported in Schedule 13G that was filed with the SEC by Horizon Kinetics LLC on February 14, 2018. Horizon Asset Management LLC beneficially owns 736,382 shares and Kinetics Asset Management LLC beneficially owns 589,559 shares.

(4) Of this amount, 503,295 are owned directly by Mr. Gabelli and 18,423,741 of these shares are owned by GGCP via Holdings. Mr. Gabelli may be deemed to have beneficial ownership of the Class B Stock held by

Holdings on the basis of (i) his position as the Chief Executive Officer, a director and the controlling shareholder of GGCP which is the manager and the majority member of Holdings, and (ii) a certain profit interest in Holdings. Mr. Gabelli disclaims beneficial ownership of the shares owned by Holdings except to the extent of his pecuniary interest therein.

(5) Includes 1,620 shares for which Mr. Jamieson is the Uniform Gift to Minors Act custodian and, as a result, has voting and dispositive power over such shares.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely on a review of filings made under Section 16(a) of the Exchange Act, we believe that our directors and executive officers and our shareholders who own 10% or more of our Class A Stock or Class B Stock have complied with the requirements of Section 16(a) of the Exchange Act to report ownership, and transactions which change ownership, on time for 2017.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

As of March 15, 2018, GGCP indirectly owns a majority of Associated Capital's Class B Stock, representing approximately 94% of the combined voting power and approximately 80% of the outstanding shares of Associated Capital common stock. Mario J. Gabelli, the Company's Executive Chairman, is Chief Executive Officer, a director and the controlling shareholder of GGCP. Marc Gabelli is President, a director and a shareholder of GGCP. Various other family members of Mario J. Gabelli are shareholders and directors of GGCP.

As of March 15, 2018, the Company indirectly owns approximately 3.7 million shares of GAMCO's Class A Stock, representing approximately 2% of the combined voting power and 13% of the outstanding shares of GAMCO's common stock. The Company received dividends of approximately $400,000 on the GAMCO Class A shares during 2017.

Spin-Off Agreements

In connection with the spin-off, Associated Capital has entered into certain agreements with GAMCO to define Associated Capital's ongoing relationship with GAMCO after the spin-off. These agreements define responsibility for obligations arising before and after the distribution date, including obligations relating to Associated Capital's employees, certain transitional services and taxes and are summarized below.

<u>Indemnification.</u> On November 30, 2015, we entered into a Separation and Distribution Agreement with GAMCO (the "Separation Agreement"), which contains the key provisions relating to the separation of our business from GAMCO and the distribution of the Associated Capital common stock. The Separation Agreement identified the assets transferred, liabilities assumed and contracts assigned to us by GAMCO and by us to GAMCO in the spin-off and describes when and how these transfers, assumptions and assignments occurred.

While all of the obligations in the Separation Agreement have been discharged, the provisions set forth below survive. As such, GAMCO and AC mutually (a) released each other from all liabilities relating to events, circumstances or actions taken prior to the distribution; and (b) agreed to indemnify each other and their directors, officers, employees, agents and affiliates against all losses, liabilities and damages incurred or suffered arising out of the other party's (i) business, (ii) failure to satisfy liabilities, (iii) breach of the Separation Agreement; and (iv) untrue statements made in connection with regulatory filings or communications with investors or potential investors. Each of the releases and indemnities extends to each party's respective affiliates and their directors, officers, employees and agents.

<u>Transitional Administrative and Management Services Agreement.</u> On November 30, 2015, we entered into a Transitional Administrative and Management Services Agreement with GAMCO (the "Transition Services Agreement") pursuant to which GAMCO will provide Associated Capital with a variety of services and Associated Capital will provide payroll services to GAMCO following the spin-off. Among the principal services GAMCO will provide to us are:

- accounting, financial reporting and consolidation services;

- treasury services, including, without limitation, insurance and risk management services and administration of benefits;
- tax planning, tax return preparation, recordkeeping and reporting services;
- human resources, including but not limited to the sourcing of permanent and temporary employees as needed, recordkeeping, performance reviews and terminations;
- legal and compliance advice, including the services of a Chief Compliance Officer;
- technical/technology consulting; and
- operations and general administrative assistance, including office space, office equipment and furniture, payroll, procurement, and administrative personnel.

In providing the services pursuant to this agreement, GAMCO may, subject to the prior written consent of Associated Capital, employ consultants and other advisers in addition to utilizing its own employees. Services provided by GAMCO to Associated Capital or by Associated Capital to GAMCO under the Transitional Services Agreement are charged at cost. For the fiscal year ended December 31, 2017, GAMCO paid us approximately $6.4 million, and we paid approximately $16.1 million to GAMCO for services provided pursuant to the Transitional Services Agreement.

The Transitional Services Agreement initially had a term of twelve months but has been extended by agreement of the parties. The Transitional Services Agreement is terminable by either party on 30 days' prior written notice to the other party.

Each of the following named executives of AC earned compensation during 2017 for services rendered to GAMCO as set forth below.

	AC Named Executives' Compensation From GAMCO During 2017	
Name	**Earned for services rendered to GAMCO ($)**	**Earned as incentive-based variable compensation from GAMCO ($)**
Mario J. Gabelli	-0-	69,414,472
Douglas R. Jamieson	1,000,000	2,936,915
Kevin Handwerker	587,100	-0-

Service Mark and Name License Agreement. On November 30, 2015 we entered into a Service Mark and Name License Agreement with GAMCO pursuant to which we have certain rights to use the "Gabelli" and "GAMCO" names.

Tax Indemnity and Sharing Agreement. On November 30, 2015 we entered into a Tax Indemnity and Sharing Agreement with GAMCO that provides for certain agreements and covenants related to tax matters involving GAMCO and us. This agreement covers time periods before and after the distribution. Among the matters addressed in the agreement are filing of tax returns, retention and sharing of books and records, cooperation in tax matters, control of possible tax audits and contests and tax indemnities. The agreement also provides for limitations on certain corporate transactions that could affect the qualification of the spin-off as tax free under the Internal Revenue Code.

Loans to GAMCO

In connection with the spin-off, GAMCO issued a promissory note (the "GAMCO Note") to AC in the original principal amount of $250 million used to partially capitalize the Company. The GAMCO Note bears interest at 4% per annum and has a maturity date of November 30, 2020 with respect to its original principal amount. Interest on the GAMCO Note will accrue from the most recent date for which interest has been paid. Prior to November 30, 2019, at the election of GAMCO, payment of interest on the GAMCO Note may, in lieu of being paid in cash, be paid, in whole or in part, in kind (a "PIK Amount"). GAMCO will repay all PIK Amounts added to the outstanding principal amount of the GAMCO Note, in cash, on the fifth anniversary of the date on which each such PIK Amount was added to the outstanding principal amount of the GAMCO Note. GAMCO may prepay the GAMCO Note prior to maturity without penalty.

Through December 31, 2017, AC received principal repayments totaling $200 million on the GAMCO Note. The $50 million principal amount outstanding as of December 31, 2017 is due on November 30, 2020. For 2017, the Company received approximately $3 million of interest related to the GAMCO Note.

On December 26, 2017, GAMCO issued a promissory note to the Company for $15 million which bears interest at 1.6% per annum and is secured by a second lien on certain marketable securities held by GAMCO. The note matured and was repaid on February 28, 2018.

GAMCO Sublease

Since 1997, GAMCO has leased office space at 401 Theodore Fremd Ave, Rye, NY from M4E, LLC (“M4E”), an entity owned by the adult children of the Executive Chairman. The current lease expires on December 31, 2028. Pursuant to a sublease with GAMCO, AC and its subsidiaries pay a monthly fixed lease amount based on the percentage of square footage occupied by its employees (including a pro rata allocation of common space). For 2017, the Company paid $374,401 to GAMCO under the sublease.

Investment in Securities

Associated Capital invests a substantial amount of its cash in the Gabelli U.S. Treasury Money Market Fund (“GUSTO”), a money market mutual fund managed by Gabelli Funds, LLC, a wholly-owned subsidiary of GAMCO (“Gabelli Funds”). Associated Capital’s investment in GUSTO at December 31, 2017 was $238.1 million, and it received dividends of approximately $2.1 million from GUSTO for the year ended December 31, 2017.

Associated Capital’s investments in affiliated equity mutual funds (“Affiliated Funds”), which are advised by Gabelli Funds and Teton Advisors, Inc., a majority-owned subsidiary of Holdings, totaled $146.2 million. Dividend income earned from the Affiliated Funds was $2.1 million for the year ended December 31, 2017.

Associated Capital had an aggregate investment in affiliated partnerships and offshore funds of approximately $124.5 million at December 31, 2017.

Investment Advisory Services

Pursuant to an agreement between GCIA and Gabelli Funds, Gabelli Funds pays to GCIA 90% of the net revenues it receives related to investment advisory services provided to GAMCO International SICAV – GAMCO Merger Arbitrage, an investment company incorporated under the laws of Luxembourg (the “SICAV”). For this purpose, net revenues are defined as gross advisory fees less expenses related to payouts and expenses of the SICAV paid by Funds. In connection with these services, Gabelli Funds paid GCIA $2.8 million during 2017.

Pursuant to an agreement between GCIA and Gabelli Funds, Gabelli Funds pays to GCIA approximately 76.5% of the net management fees and 100% of the incentive fees it receives related to investment advisory services provided to The Gabelli Merger Plus+ Trust Plc, a closed-end fund that is listed on the London Stock Exchange (“Merger Plus”). For this purpose, net management fees are defined as gross management fees less organizational expenses of Merger Plus paid by Gabelli Funds. In connection with these services, no payments were made during 2017.

As general partner or co-general partner of various affiliated limited partnerships, GCIA receives a management fee based on a percentage of each partnership’s net assets and a 20% incentive allocation based on economic profits.

GCIA and Gemini Capital Management LLC (“GCM LLC”) serve as co-general partners of Gemini Global Partners, L.P. (formerly Gabelli Global Partners, L.P., “Gemini LP”). Gabelli Securities International Limited, a Bermuda corporation (“GSIL”) formed in 1994 to provide investment advisory services to offshore funds and accounts, and GCM LLC serve as co-investment managers of Gabelli Global Partners Ltd. (“GGP Ltd”). Gemini LP and GGP Ltd are both feeder funds of Gabelli Global Partners Master Fund Ltd., an investment fund organized in the Cayman Islands. GCIA owns 45% of GSIL. Marc Gabelli owns the remaining 55% of GSIL and 100% of GCM LLC.

Each of GCIA and GCM LLC is entitled to 50% of advisory fees and incentive allocations payable by Gemini LP. These advisory fees were $55,228 for 2017. No incentive fees were earned in 2017. As of December 31, 2017, there was a payable of $13,018 to Gemini LP.

Each of GSIL and GCM LLC is entitled to 50% of advisory and incentive fees payable by GGP Ltd. These advisory fees were $7,365 for 2017. No incentive fees were earned in 2017. As of December 31, 2017, there was a payable of $10,528 to GGP Ltd.

Mario J. Gabelli and GCIA serve as co-general partners of Gabelli Associates Fund, LP ("GAF") and are entitled to an incentive allocation for these services. In 2017, Mario J. Gabelli earned $448,681 in incentive fees from GAF, of which he allocated $116,483 to other professional staff, and his net compensation was $332,198. These amounts are included as Portfolio Manager and Other Variable Remuneration in the Summary Compensation Table above.

Permissible Accounts, as defined in the *Employment Agreements* section above, may include new investors provided that all of the performance fees, less expenses, earned on assets attributable to these investors ("Post-IPO AUM") are paid to Associated Capital. Post-IPO AUM in Permissible Accounts totaled $69.3 million as of December 31, 2017. The Company earned $51,360 in performance fees on Post-IPO AUM in the year ended December 31, 2017.

Research and Brokerage Services

Since 2014, certain subsidiaries of GAMCO have each entered into a research services agreement with G.research pursuant to which G.research provides them with the same types of research services that it provides to its other clients. In 2017, the Company received $4.5 million under these agreements.

During 2017, G.research participated as sales agent or co-underwriter in the offerings of preferred stock issued by certain closed-end funds sponsored by GAMCO. Pursuant to agreements between the parties, the Company earned fees related to these offerings of $212,512.

In 2017, G.research earned $4.5 million of commissions from transactions executed on behalf of Gabelli Funds and private wealth management clients advised by GAMCO Asset Management Inc., a wholly-owned subsidiary of GAMCO.

Employment

Certain directors and executive officers have immediate family members who are employed by us, our subsidiaries, and certain related entities. The base salaries and bonuses of each of these immediate family members are established in accordance with our compensation practices generally applicable to staff members with equivalent qualifications and responsibilities and holding similar positions. None of the directors or executive officers has a material interest in any of these employment relationships of their immediate family members. Each of these immediate family members is a financially independent adult and none is an executive officer of the Company.

On November 30, 2015, in connection with the spin-off, the Company issued 554,100 AC RSA shares to GAMCO employees (including GAMCO employees who became AC employees) who held 554,100 GAMCO RSA shares at that date. The purpose of the issuance was to ensure that any employee who had GAMCO RSAs was granted an equal number of AC RSAs so that the total value of the RSAs post-spin-off was equivalent to the total value pre-spin-off. In accordance with accounting guidance, the value of both AC RSAs and GAMCO RSAs held by our employees is recognized as expense by the Company over the remaining vesting period because the employees' services are for the benefit of the Company. We have allocated the stock compensation costs between GAMCO and AC based upon each employee's individual allocation of their responsibilities between GAMCO and AC. On June 1, 2017, the Company's Board of Directors accelerated vesting of all outstanding AC RSAs. In addition, GAMCO's Board of Directors accelerated the vesting of certain outstanding GAMCO RSAs during 2017.

Mr. Marc Gabelli received no base salary, a bonus of $225,000 and usual and customary benefits for his services to the Company in 2017. In addition, stock-based compensation expense of $464,126 was recognized by the Company for financial statement reporting purposes in 2017 related to restricted stock awards previously granted to him. These amounts do not reflect any compensation he earned in connection with services provided to GAMCO or other amounts attributable to his interest in M4E or other investment managers.

At December 31, 2017, approximately $44 million of our proprietary investment accounts were managed by our analysts or portfolio managers other than Mr. Mario Gabelli. The individuals managing these accounts receive 20% of the net profits, if any, earned on the accounts. In August 2006, a son of the Executive Chairman, who has been employed by one of our subsidiaries since 1998, was given responsibility for managing one such proprietary investment account. The balance in the account at December 31, 2017 was $18 million, of which $3.5 million is owed to the portfolio manager representing earnings that have been re-invested in the account. For 2017, this account returned +23% and resulted in compensation of approximately $541,000 for managing the account and approximately $662,000 representing appreciation of the amount reinvested in the account. In addition, he earned no base salary or bonus, $493,137 in variable compensation and usual and customary benefits for his services to the Company in 2017. These amounts do not reflect any compensation he earned in connection with services provided to GAMCO or other amounts attributable to his interest in M4E.

A son of our Executive Chairman, who has been employed by one of our subsidiaries since 1991, received a base salary of $225,000, a bonus of $50,000, $358,000 in variable compensation and usual and customary benefits for his services to the Company in 2017. In addition, stock-based compensation expense of $268,179 was recognized by the Company for financial statement reporting purposes in 2017 related to restricted stock awards previously granted to him. These amounts do not reflect any compensation he earned in connection with services provided to GAMCO or other amounts attributable to his interest in M4E.

Our Executive Chairman’s spouse since 2002 has been employed by a subsidiary of GAMCO in a sales and marketing role since 1984 and served as a director of that subsidiary since 1991. She earned no base salary or bonus, $128,139 in variable compensation and usual and customary benefits for her services to the Company in 2017. These amounts do not reflect any compensation she earned in connection with services provided to GAMCO.

A sister-in-law of Mr. Jamieson, who has been employed by one of our subsidiaries in a marketing role since 1996, received a base salary of $103,125, a bonus of $60,000, $14,203 in variable compensation and usual and customary benefits for her services to the Company in 2017. In addition, stock-based compensation expense of $19,067 was recognized by the Company for financial statement reporting purposes in 2017 related to restricted stock awards previously granted to her. These amounts do not reflect any compensation she earned in connection with services provided to GAMCO.

Other Related Party Transactions

Associated Capital and GAMCO each incur certain overhead expenses that are also attributable to other affiliates. These overhead expenses are allocated at cost among the affiliates as the expenses are incurred in proportion to the usage of the particular service. The allocation methodologies used are periodically reviewed by the management of Associated Capital and the affiliates for reasonableness.

GCIA incurs expenses for certain professional and administrative services, and purchases services from third party providers, such as payroll, transportation, insurance and public relations services, on behalf of GGCP. GGCP reimburses us for these expenses. GGCP also incurs expenses for certain professional and administrative services on behalf of GCIA, and we reimburse GGCP for these expenses. The net amount payable by GGCP to us for such expenses was $57,065 for 2017. At December 31, 2017, we reflected a receivable of $14,038 from GGCP.

In October 2017, GCIA agreed to purchase the remaining shares of GSIL that it does not hold for $564,516, subject to regulatory approvals and other standard closing conditions. As of March 23, 2018, the closing conditions have not been satisfied.

In October 2017, GCIA agreed to purchase all outstanding shares of GAMA Funds Holdings GmbH, Baar, (“GFH”) a private Swiss company that holds investments in private companies, from Marc Gabelli for $110,539 plus net proceeds from the sale of its investments, subject to regulatory approvals and other standard closing conditions. As of March 23, 2018, the closing conditions have not been satisfied.

As required by our Code of Ethics, our staff members are required to maintain their brokerage accounts at G.research unless they receive permission to maintain an outside account. G.research offers all of these staff members the opportunity to engage in brokerage transactions at discounted rates. Accordingly, many of our staff members, including the executive officers or entities controlled by them, have brokerage accounts at G.research and have engaged in securities transactions through it at discounted rates.

REPORT OF THE AUDIT COMMITTEE

Messrs. Sodano, Bready and Lisman, each of whom is an independent director, are the members of the Audit Committee. In this report, the term "we" refers to the members of the Audit Committee.

The Board has adopted a written charter for the Audit Committee. A copy of that charter can be found on the Company's website at http://www.associated-capital-group.com/ir/Corporate-Governance.aspx. Our job is one of oversight as set forth in our charter. The Company's management is responsible for preparing its financial statements and for maintaining internal controls. The independent registered public accounting firm is responsible for auditing the financial statements and expressing an opinion as to whether those audited financial statements fairly represent the financial position, results of operations and cash flows of the Company in conformity with U.S. generally accepted accounting principles.

We have reviewed and discussed the Company's audited 2017 financial statements with management and with D&T, the Company's independent registered public accounting firm.

We have discussed with D&T the matters required to be discussed by Statement on Auditing Standard No. 1301, *Communications with Audit Committees,* issued by the Public Company Accounting Oversight Board (the "PCAOB").

We have received from D&T the written statements required by the PCAOB regarding the independent accountant's communications with the audit committee concerning independence and have discussed with the independent accountant the independent accountant's independence.

Based on the review and discussions referred to above, we have recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017 for filing with the Securities and Exchange Commission.

AUDIT COMMITTEE
Salvatore F. Sodano, Chairman
Richard L. Bready
Bruce M. Lisman

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Selection of D&T

Our Audit Committee approved the engagement of D&T as the Company's independent registered public accounting firm for the year ending December 31, 2017. D&T has been the Company's independent registered public accounting firm since November 30, 2015. In addition, D&T was the independent registered public accounting firm of Gabelli Securities Group, the predecessor of the Company, for 2012 through 2014. "Gabelli Securities Group" refers to the businesses that were spun off from GAMCO. In deciding to engage D&T, the Audit Committee reviewed auditor independence and existing commercial relationships with D&T and concluded that D&T has no commercial relationship with the Company that would impair its independence. During the fiscal year ended December 31, 2017 and in the subsequent interim period through March 31, 2018, neither the Company nor anyone acting on its behalf has consulted with D&T on any of the matters or events set forth in Item 304(a)(2) of Regulation S−K.

A representative of D&T will be present at the 2018 Annual Meeting. The representative will have the opportunity to make a statement and respond to appropriate questions from shareholders.

D&T Fees for 2016 and 2017

Fees for professional services provided by our independent registered public accounting firm in 2016 and 2017, in each of the following categories, were:

	2016	2017
Audit Fees	$615,000	$620,000
Audit-Related Fees	9,000	4,000
Tax Fees	600	600
All Other Fees	-0-	1,432

Audit fees relate to the audit of our annual financial statements and the review of interim financial statements included in our quarterly reports on Form 10-Q. Audit-related fees include fees for services provided in connection with the Securities Investor Protection Corporation assessment for the Company's registered broker-dealer subsidiary and the preparation of consent letters in connection with the filing of registration statements with the SEC. Tax fees were for assistance with federal tax filings. All other fees represent subscription charges for access to online technical resources.

SHAREHOLDER PROPOSALS FOR THE 2019 ANNUAL MEETING

Qualified shareholders who want to have proposals included in our proxy statement in connection with our 2019 Annual Meeting pursuant to Rule 14a-8 of the Exchange Act must deliver such proposals so that they are received at our principal executive offices at One Corporate Center, Rye, New York 10580-1422 by December 21, 2018 in order to be considered for inclusion in next year’s proxy statement and proxy. For any shareholder proposal submitted outside Rule 14a-8 of the Exchange Act to be considered timely under our Amended and Restated Bylaws, the Company must receive notice of such proposal, or any nomination of a director by a shareholder, no earlier than January 8, 2019 and no later than February 7, 2019.

OTHER MATTERS

We know of no other matters to be presented at the 2018 Annual Meeting other than the election of directors, the ratification of auditors, and the advisory vote on named executive officer compensation, all as described above. If other matters are properly presented at the 2018 Annual Meeting, the proxies will vote on these matters in accordance with their judgment of the best interests of the Company.

We will provide a free copy of our Annual Report on Form 10-K for the year ended December 31, 2017. Requests should be in writing and addressed to our Secretary at Associated Capital Group, Inc., One Corporate Center, Rye, NY 10580-1422.

ANNEX A

GUIDELINES FOR DIRECTOR INDEPENDENCE

For a director to be deemed "independent," the Board shall affirmatively determine that the director has no material relationship with Associated Capital Group, Inc. (together with its consolidated subsidiaries, "Associated Capital") or its affiliates or any member of the senior management of Associated Capital or his or her affiliates. This determination shall be disclosed in the proxy statement for each annual meeting of Associated Capital's shareholders. In making this determination, the Board shall apply the following standards:

- A director who is an employee, or whose immediate family member is an executive officer, of Associated Capital will not be deemed independent until three years after the end of such employment relationship. Employment as an interim Chairman or Chief Executive Officer will not disqualify a director from being considered independent following that employment.
- A director who received, or whose immediate family member received, in any twelve month period over the last three years more than $120,000 in direct compensation from Associated Capital will not be deemed independent. In calculating such compensation, the following will be excluded:
    - director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
    - compensation received by a director for former service as an interim Chairman or Chief Executive Officer; and
    - compensation received by an immediate family member for service as a non-executive officer employee of Associated Capital.
- A director will not be considered independent if:
    - the director is a current partner or employee of a firm that is Associated Capital's internal or external auditor;
    - the director has an immediate family member who is a current partner of Associated Capital's internal or external auditor;
    - the director has an immediate family member who is a current employee of Associated Capital's internal or external auditor and personally works on Associated Capital's audit; or
    - the director or an immediate family member was within the last three years a partner or employee of Associated Capital's internal or external auditor and personally worked on Associated Capital's audit within that time.
- A director who is, or whose immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of Associated Capital's current executive officers serve on that company's compensation committee will not be deemed independent.
- A director who is a current employee, or whose immediate family member is an executive officer, of an entity that makes payments to, or receives payments from, Associated Capital for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million or 2% of such other entity's consolidated gross revenues, will not be deemed independent.
- A director who serves as an executive officer of a tax-exempt entity that receives significant contributions (i.e., more than 2% of the annual contributions received by the entity or more than $1 million in a single fiscal year, whichever amount is greater) from Associated Capital, any of its affiliates, any executive officer or any affiliate of an executive officer within the preceding twelve-month period may not be

deemed independent, unless the contribution was approved by the Board and disclosed in Associated Capital's proxy statement.

For purposes of these Guidelines, the terms:

- "affiliate" means any consolidated subsidiary of Associated Capital and any other company or entity that controls, is controlled by or is under common control with Associated Capital, as evidenced by the power to elect a majority of the board of directors or comparable governing body of such entity; and

- "immediate family" means spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than domestic employees) sharing a person's home, but excluding any person who is no longer an immediate family member as a result of legal separation or divorce, or death or incapacitation.

The Board shall undertake an annual review of the independence of all non-employee directors. In advance of the meeting at which this review occurs, each non-employee director shall be asked to provide the Board with full information regarding the director's business and other relationships with Associated Capital and its affiliates and with senior management and their affiliates to enable the Board to evaluate the director's independence.

Directors have an affirmative obligation to inform the Board of any material changes in their circumstances or relationships that may impact their designation by the Board as "independent." This obligation includes all business relationships between, on the one hand, directors or members of their immediate family, and, on the other hand, Associated Capital and its affiliates or members of senior management and their affiliates, whether or not such business relationships are subject to the approval requirements set forth by the Board.