



Towers Watson Investment Services, Inc.

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This brochure provides information about the qualifications and business practices of Towers Watson Investment Services, Inc. If you have any questions about the contents of this brochure, please contact us at TWISCompliance@towerswatson.com. Additional information can be found by visiting www.towerswatson.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Towers Watson Investment Services, Inc. is registered with the SEC as an investment adviser. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Towers Watson Investment Services, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

Material changes in this brochure from the prior version, dated September 27, 2013, include the following:

- Item 1 was changed to reflect the change in corporate headquarters.
- Item 4 was updated to reflect current asset management figures.
- Item 5 and Item 8 were expanded to include additional information regarding fees and compensation and investment strategies.
- Item 10 was edited to delete a reference to an affiliate that was sold and to expand to include new information about affiliates and related potential conflicts of interest.
- Item 17 includes new information about proxy voting practices.

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ITEM 4: ADVISORY BUSINESS

Towers Watson Investment Services, Inc. (TWIS) is a wholly-owned subsidiary of Towers Watson Delaware Inc., which is a subsidiary of Towers Watson Delaware Holdings Inc., which is a subsidiary of Towers Watson & Co. Towers Watson & Co. is a public company traded on the New York Stock Exchange and the NASDAQ Stock Market (NYSE, NASDAQ: TW). TWIS was incorporated in 1993 in order to provide professional, dedicated investment advisory consulting services to our clients.

TWIS provides investment advisory services to help clients manage investment complexity, establish risk tolerance and improve governance, combining innovative thinking with capable execution so that clients can balance potential risk and return. We develop strategies that are designed to offer financial predictability and stability for clients. Our services include:

- Delegated investment services
- Asset-liability modeling
- Strategic and dynamic asset allocation policies
- Risk hedging
- Portfolio construction, including investment manager structure, selection and ongoing evaluation
- Fund monitoring
- Educational webcasts, seminars, and conferences

TWIS offers Delegated Investment Services, a service that enables clients and their investment committees to delegate to TWIS various responsibilities for the oversight and management of their investment programs. We collaborate with the client to develop a governance structure for the management of the client's investment programs. A client may delegate to TWIS responsibility for determining and/or implementing investment policy, hiring and terminating investment managers, monitoring investment managers, and communicating with investment managers. Pursuant to such delegated authority, TWIS will periodically rebalance client assets among the investment managers responsible for managing particular asset classes according to clients' applicable investment policies and may implement appropriate changes in investment managers; the hiring of any new investment manager may require the client to enter into an advisory agreement with that manager unless the delegated authority allows TWIS to enter into a manager agreement on behalf of the client.

TWIS may review clients' current investment policy against alternative policies using TWIS's proprietary asset liability modeling methodology and monitor the investment policy going forward. TWIS will work with the client to implement policy changes to seek to improve the financial efficiency of the investment program, subject to clients' governance constraints and risk tolerance, and develop a cost-effective manager structure to implement the investment policy. We are not a broker-dealer and so we will not provide brokerage services, though we will work with clients' managers and broker-dealers to minimize the cost of any security transactions involved in transitioning portfolios.

If agreed upon with the client, TWIS monitors investment performance and prepares periodic reports, typically quarterly, which highlight key issues or events. These reports compare performance of total funds and each manager against appropriate market benchmarks and comparably-managed accounts. This is discussed in greater detail in item 13.

TWIS provides consulting services to clients in the area of developing medium-term and long-term investment strategies for funds by broad classes of investment. TWIS does not provide advice with respect to the selection of individual securities except under certain circumstances such as for bank and insurance company pooled funds, mutual funds, exchange-traded funds, group trusts, derivatives, annuity products, alternative investment funds (including "funds of funds" operated by affiliates of TWIS), or U.S. government or AAA-rated sovereign negotiable debt obligations. We typically develop such strategies with the assistance of a computer model projecting future obligations and probabilistic outcomes of alternative investment strategies.

TWIS assists clients in the selection of investment managers for their portfolios by providing quantitative and statistical evaluations of their performances and providing qualitative advice as to the managers whose approach and style might be compatible with the client's investment objectives. In determining investment strategies for allocations and other matters, clients may impose restrictions on securities and types of securities.

Clients may engage TWIS for additional related services, such as insurance contract analysis and research-related projects relating to asset studies. As our clients have unique investment goals that reflect their individual situation, our service agreements with our clients are customized to meet their needs.

We do not participate in wrap fee programs.

We manage \$9 billion on a discretionary basis and \$7 billion on a nondiscretionary basis, in each case as of June 30, 2014.

ITEM 5: FEES AND COMPENSATION

All fees and compensation are negotiated in advance of any work done and are established in a written contract between TWIS and our client. We do not deduct fees from assets. TWIS will bill for services in accordance with the terms and conditions that are agreed upon with our client.

Fees are generally on a fixed-fee retainer basis with monthly or quarterly billing. In some circumstances, TWIS may enter into a compensation agreement that is asset-based or time-and-expense-based. TWIS does not have a fee schedule as fees are negotiable to reflect the level and the nature of the responsibilities that are TWIS assumes upon agreement with the client, and may be based on the size of the portfolio and reflect the level of services provided.

Clients may pay in advance, as determined by prior agreement. If work terminates during a calendar billing cycle, then TWIS will promptly refund any unearned prepayments.

Our fees do not include custodian fees, brokerage commissions, transaction costs, trustee fees, or mutual fund expenses. Our clients may incur these fees, costs, or expenses through the investments they make. Our brokerage practices are discussed in item 12.

TWIS does not accept compensation from third parties for the sale of securities or other products. However, a limited number of TWIS employees act as registered representatives of an unaffiliated broker-dealer. As further detailed in Item 10, in such capacity these employees may receive compensation from the third-party broker-dealer in connection with the sale of fund of funds products managed by an affiliate of TWIS. This compensation could potentially relate to shares sold to TWIS clients. This practice may present a conflict of interest because such employees may have an incentive to recommend investment products based on compensation received rather than on a client's needs. TWIS seeks to address this conflict in several ways, as further described in Item 10. In addition, this potential conflict is disclosed in the offering memorandum of each applicable fund of funds product and/or other appropriate contracts or disclosure documents.

TWIS does not require clients to purchase investment products that TWIS recommends through any specific brokers or agents. TWIS does not charge commissions or markups.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

TWIS does not currently charge performance-based fees.

ITEM 7: TYPES OF CLIENTS

TWIS provides investment advisory services to a wide variety of clients with substantial levels of invested assets including pension and profit sharing plan trusts, endowments, foundations, institutional trusts, insurance companies, and nonprofit organizations.

TWIS does not have a minimum account size or other pre-determined account requirements.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

TWIS assists our clients using various methods of analysis and investment strategies to formulate investment advice or manage assets. A description of methods and strategies used by TWIS is as follows:

TWIS uses proprietary capital market assumptions to develop asset allocation recommendations for clients. TWIS has developed a computerized stochastic model for broad asset categories based on a comprehensive analysis of historical and prospective performance of such asset groups in relation to inflation, prior trends within each asset category, and performance relationships relative to other asset groups. The model determines probability values of the outcome of various investment strategies or asset mixes. TWIS's allocation analysis reflects client objectives and other characteristics of mandates such as liquidity, expected volatility, correlation of returns.

Our investment strategy team has experience in disciplines that include investment banking, asset management and actuarial science, and we have dedicated teams of investment manager research professionals that cover asset classes from mainstream to alternative investments, including hedge funds and private equity. These research teams may develop quantitative and statistical evaluation of investment manager performance and perform qualitative analysis of approach and style to assess whether a manager may be compatible with the investment objectives of a particular client or fund.

In developing our views, we may use sources of information such as industry news sources; rating services; publicly filed documents; investment manager databases; information collected through investment manager and bank/broker/dealer questionnaires, interviews, and on-site visits; publicly available information on pooled funds and indices; and other information gathered from various data collection services.

B. Material Risks of Loss for Each Significant Strategy or Method of Analysis

Each investment strategy or method of analysis is subject to risk.

As noted above, TWIS has a number of methods of analysis and consults on a variety of investment strategies. Material risks associated with these include:

- The investment advice or strategies that we help develop may not lead to the expected or desired results, particularly in the short term. There is a risk that decisions made by TWIS may cause a client to incur losses or miss opportunities, particularly in the short term.
- Information or data received from third parties may not be accurate; material inaccuracies in underlying data may impact the reliability or suitability of subsequent analysis.
- Economic or market conditions may move unpredictably, or with the correlation of market components behaving outside the range of expectations, which may result in material loss.
- The accuracy of results from a computerized stochastic model depends on the accuracy of the data provided, the analytical underpinnings of the model, and the appropriate interpretation of the output.
- There is no certainty or guarantee that assumptions or expectations used to construct TWIS's models will be realized.

In addition, investing in securities involves risk of loss, potentially up to the full value of the security, which investors should be prepared to bear. Investment in alternative assets such as hedge funds or private

equity involve additional risks, such as illiquidity, unlimited risk of loss, and counterparty risk and may be subject to less regulatory oversight than other types of securities. Each asset class has its own risk factors, which will be discussed in the offering or organizational documents for each applicable investment.

The following is a general discussion of certain of the possible risks of an investment in the types of products that TWIS might recommend to a client. This list is not exhaustive, and an investor should read carefully the relevant offering or organizational documents, including the risks discussed under a heading such as “Risk Factors” and comparable sections.

General Risks

- *Loss of investment.* An investor could lose all or a substantial amount of his or her investment.
- *Volatility and leverage.* Assets, particularly alternative assets, may be speculative and involve a high degree of risk, or may be leveraged. The volatility of assets may be significant and may also increase suddenly, potentially leading to significant investment losses in a short period of time.
- *Illiquidity.* Many of the investments that TWIS may recommend to a client, including, in particular, private funds, may be highly illiquid, and an investor may find themselves unable to redeem or may only be able to redeem on a delayed basis. In the case of a fund, investors typically may withdraw their investments only as stated in the offering or organizational documents. There may be no secondary market for an investor’s interest in the fund and/or the fund may cause investors to involuntarily withdraw their investments.
- *Lack of diversification.* A client’s investments, either when viewed individually or in the aggregate, may lack diversification. For example, a client may invest a significant portion of its assets in a particular asset class or with a particular adviser who may have total trading authority and control over a fund. In general, a lack of diversification can be expected to lead to increased volatility.
- *Fees and Expenses.* The investment return of pooled investment vehicles or separate account arrangements will be decreased, and possibly substantially, by fees, allocations and expenses. In addition, any incentive-based compensation may create an incentive for the applicable adviser to make more speculative investments than would otherwise be the case.
- *Regulatory risk.* Clients may invest in private funds. Private funds are, in general, subject to less regulatory oversight than mutual funds and certain other investments. This lack of regulatory oversight could expose clients to additional risk of loss.

Investment Specific Risks

- *Equity securities.* The value of equity securities is subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market’s perception of these securities.
- *Debt securities.* Debt securities are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security’s value as a result of changes in interest rates generally. Market risk relates to the changes in the risk or perceived risk of an issuer, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest.
- *Derivatives risk.* Derivatives are financial instruments that derive their performance, at least in part, from the performance of an underlying asset, including stocks, bonds, commodities, currencies, interest rates and market indices. Derivatives include futures, options, swaps and swaptions. Derivatives typically involve a high level of embedded economic leverage and therefore can be highly volatile.

- *Non-U.S. investments.* Investment in non-U.S. issuers or securities principally traded outside the United States may involve certain special risks due to economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and possible difficulty in obtaining and enforcing judgments.

Management Risks

- *Conflicts of interest.* An adviser and, in the case of a private fund, its management and service providers, may be subject to significant conflicts of interest. These conflicts of interest may expose investors to significant risk of loss.
- *Reliance on Adviser.* The success or failure of a private fund or separate account investment will be largely based on the performance of fund's or account's adviser. Neither TWIS nor any client will typically have any control of any such adviser.
- *Risk of Fraud.* There is a risk that an adviser or, in the case of a fund, one of its service providers, may be engaged in fraudulent activity. Any such fraudulent activity may be difficult to detect and could subject investors to significant losses.

Clients should be aware that future performance of an investment or of an investment strategy may not be comparable to prior performance. In addition, TWIS does not provide accounting services and does not audit the financial statements of investment managers, and therefore cannot provide assurances concerning the financial condition of such managers.

C. Recommendations of a Particular Type of Security

TWIS does not recommend primarily a particular type of security. Further, TWIS does not offer advice with respect to individual securities, except potentially with respect to securities such as bank and insurance company pooled funds, mutual funds, exchange-traded funds, group trusts, derivatives, annuity products, alternative investment funds (including "funds of funds" operated by affiliates of TWIS), and U.S. government or AAA-rated sovereign negotiable debt obligations.

ITEM 9: DISCIPLINARY ACTION

There are no legal or disciplinary events that are material to a current or prospective client's evaluation of TWIS's investment advisory business or the integrity of our management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

TWIS is a wholly owned subsidiary of Towers Watson & Co. a large diversified professional services company. Affiliates of TWIS that engage in financial industry activities that are material to TWIS are described below.

Towers Watson Investment Management Limited (TWIM)/Towers Watson Investment Management (Ireland) Limited (TWIMI)

TWIS is affiliated through common ownership with Towers Watson Investment Management Limited (TWIM). TWIM provides discretionary investment management services to private pooled-investment vehicles intended for sophisticated investors and institutional investors (TWIM Funds) and is registered with the SEC as an investment adviser. TWIM is also an exempt commodity pool operator and commodity trading advisor. Another affiliate of TWIS, TWIMI, serves as the manager of the TWIM Funds.

Material conflicts:

- TWIS may recommend that a client, or use its discretion to cause a client (after prior authorization) to, invest in the TWIM Funds, which may present certain conflicts of interest.

TWIS consultants may have an incentive to recommend an investment in the TWIM Funds over other possible investments, or to advise retaining investments in the TWIM Funds longer than they otherwise would. This is due to several factors, such as the possible greater economic or reputational benefit to the Towers Watson organization for increased assets in the TWIM Funds. In addition, pursuant to an agreement between TWIS and its affiliates, TWIS pays a portion of the fees it receives from certain clients to TWIMI and TWIMI pays a portion of the payments it receives from TWIS to TWIM. Further, as discussed in Item 5, a limited number of TWIS employees act as registered representatives of an unaffiliated broker-dealer and, in such capacity, may receive compensation from the third-party broker-dealer in connection with the sale of TWIM Funds, including with regard to sales of TWIM Funds to TWIS clients.

TWIS seeks to address these potential conflicts by: (i) utilizing a standard manager research process, (ii) assigning clients to consulting teams rather than individuals, (iii) subjecting employees to codes of conduct which are a condition of employment, and (iv) implementing a work review policy which requires that investment recommendations and materials be reviewed by other qualified associates. Although TWIS and its affiliates have these mechanisms in place to address and mitigate these conflicts, there can be no assurance that such mechanisms will be effective.

- TWIS provides to a range of its clients market research regarding alternative investment funds and managers. Similarly, TWIS affiliates provide similar research to TWIM with respect to the TWIM Funds. TWIS and its affiliates may be viewed as having an economic incentive to favor providing such market research to clients for which TWIS, TWIM or other affiliated entities can earn greater compensation or with whom such entities have key relationships. TWIS and its affiliates attempt to mitigate this potential conflict by implementing a process that requires that material research is distributed simultaneously, as appropriate, to all clients entitled to receive such research, including TWIS and TWIM. However, there can be no assurance that a client or a TWIS consultant will be able to make investment decisions for its clients based on this research as quickly as TWIM will be able to do so for the TWIM Funds.
- TWIS clients (including plans for employees of TWIS or its affiliates) may subscribe in kind for shares in the TWIM Funds by transferring interests in alternative investment funds to the TWIM Funds. TWIS generally will not advise clients with respect to in-kind subscriptions, and these

subscriptions will be valued by the applicable alternative investment manager and not TWIS or its affiliates.

Towers Watson Limited, Towers Watson Delaware Inc., and Towers Watson Pennsylvania Inc.

These affiliated entities may provide services to clients of TWIS.

As an affiliate of a large global professional services company, TWIS or related parties may have provided services to firms or to their parent organizations with which a client may be considering investing. The sources of this revenue are typically from consulting services provided by our corporate parent, Towers Watson & Co. or its subsidiaries. These engagements and relationships are unrelated to the services TWIS provides to clients and we take steps so that our ability to provide objective, unbiased advice is not impaired, as further detailed in item 11. In addition, for certain work products we include a disclosure of entities for which TWIS or its affiliates have received revenue in other contexts.

Towers Watson & Co.

Towers Watson & Co. (TW) is a publicly traded company whose stock may from time to time be included in funds managed by institutional holders or in mutual funds, or may otherwise be held by clients of managers. Ownership of TW stock may be perceived as creating a conflict of interest. In our manager research analysis, stock ownership status does not constitute a factor. Further, the identity of the top institutional and mutual fund ownership of Towers Watson & Co. stock is publicly available on the website of the SEC at www.sec.gov.

TWIS and its management persons are not registered or in the process of registering as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing. As noted in Item 5, a limited number of TWIS employees are registered representatives of a third party broker-dealer; these employees are not management persons.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

TWIS maintains a Code of Ethics governing the standards of behavior of its associates. The Code of Ethics is based on the principles that employees have a fiduciary duty to place the interests of the company and its clients ahead of their own and that employees are required to avoid taking advantage of their position. The Code of Ethics covers issues such as personal securities holdings and transactions, gifts and entertainment, and treatment of sensitive information.

In addition, all TWIS associates are subject to the Towers Watson & Co. Code of Business Conduct and Ethics, which addresses ethical responsibilities and delineates the principles and behavior expected of all Towers Watson & Co. associates. Our employees are required to disclose material outside business activities.

TWIS associates are required to certify annually that they have complied with the terms of the Code of Ethics.

The TWIS Code of Ethics requires employees to make periodic disclosures of their personal securities holdings and transactions, in accordance with SEC requirements. These disclosures are reviewed by the Chief Compliance Officer. The Code of Ethics restricts investment in private placements and new issues, and restricts and mandates reporting of certain gifts, meals, and entertainment.

In addition our Code of Ethics and the Code of Business Conduct and Ethics governing our own associates, our parent company has policies to monitor potential conflicts of interest that may exist through our affiliated entities, such as those described in Item 10.

TWIS related persons (including plans for employees of TWIS or its affiliates) may subscribe for shares in the TWIM Funds, and TWIS may face conflicts of interest as a result. Although TWIS related persons may have more information than other investors by virtue of their being related persons, investments will be made at the TWIM Funds' net asset values. The related persons may subscribe or redeem at times or intervals that differ from the times or intervals that TWIS recommends for its clients. In addition, redemptions by related persons could result in higher expense ratios, implementation of a gate and other adverse impacts on the TWIM Funds and investors in them such as the TWIS clients invested in those TWIM Funds. TWIS and TWIM seek to mitigate this conflict by generally requiring that TWIS related persons invested in the TWIM Funds will be subject to the similar rules and restrictions governing subscriptions and redemptions as non-related persons invested in the TWIM Funds. TWIS recommendations to its clients to invest in the TWIM Funds may also raise additional conflicts of interest, as discussed in greater detail in Item 10.

TWIS will provide a copy of its Code of Ethics and the Code of Business Conduct and Ethics to any client or prospective client upon request.

ITEM 12: BROKERAGE PRACTICES

TWIS does not recommend specific brokers to clients at point of execution. We may assist clients in establishing commission recapture arrangements, and may provide assistance in analyzing whether a directed brokerage arrangement would be in the client's best interests for a particular situation. For derivatives execution, TWIS may develop a panel of broker-dealers who could be capable of assisting the client, for consideration by the client's agent at point of execution. The client or client's agent makes the final decision as to which brokerage or risk transfer arrangement is selected. TWIS does not receive any benefit from any brokerage or other third party company in connection with these services.

If the client chooses, we will work with the client's managers and broker-dealers to minimize the cost of any security transactions involved in transitioning portfolios.

TWIS does not accept or receive soft dollar compensation. TWIS does not aggregate or bunch orders.

ITEM 13: REVIEW OF ACCOUNTS

TWIS reviews client accounts on a periodic basis and, for most of our clients, provides a comprehensive written performance report on a quarterly basis along with an in-person meeting to discuss findings and possible actions. These reviews are coordinated by a dedicated client team led by a lead investment consultant, providing continuity and consistency.

Account reviews evaluate manager performance of the fund, considering both the impact of investment policy and fund structure on overall performance and the capital market environment. The performance review process focuses on plan structure and diversification, the performance and tracking error of managers within each asset class, and how the asset classes interrelate. We use appropriate benchmarking to evaluate both returns and risk.

Our reports have been developed to provide information on portfolio characteristics and to incorporate a number of risk diagnostics.

In addition to regular reporting, TWIS will review client accounts and investment policies as warranted by market or economic conditions, or by events within the client's portfolio such as a change in personnel within an investment manager.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

TWIS does not receive any economic benefit from any person or entity other than a client for providing investment advice or other advisory services to a client.

As discussed in greater detail in Item 5 and Item 10, a limited number of TWIS employees act as registered representatives of an unaffiliated broker-dealer and, in such capacity, may receive compensation from that third-party broker-dealer in connection with the sale of TWIM Funds.

Employees of our parent organization, Towers Watson & Co. and its affiliates may be expected to provide referrals if that would be considered to be in the best interests of the prospective client. TWIS does not compensate these employees for referrals.

ITEM 15: CUSTODY

TWIS does not have physical custody of client assets; all client assets are held by third-party qualified custodians. However, under current SEC custody rules, TWIS may be deemed to have “custody” of client funds or securities for clients of our Delegated Investment Services for whom we have certain discretionary authority, such as to pay vendor invoices or rebalance portfolios. Neither of these activities would cause TWIS to choose a broker for execution.

TWIS provides each such client with information pertaining to a custodian promptly upon opening an account for client assets, such as the custodian’s name and address. Clients will receive periodic asset statements from the qualified custodian. TWIS urges clients to carefully review custodial statements and to compare the performance reports that TWIS provides to clients to the official custodial records. Performance reports prepared by TWIS may vary from official custodial records due to variations in asset reporting dates, accounting procedures, or valuation methodologies.

ITEM 16: INVESTMENT DISCRETION

For certain clients, TWIS may provide delegated consulting services through Delegated Investment Services, a service that enables clients and their investment committees to delegate to TWIS discretionary authority over various aspects of the oversight and management of their investment programs. These responsibilities are generally limited to the hiring and termination of investment managers and management of account requirements as detailed in guidelines agreed to by the client.

TWIS holds extensive discussion with the client prior to our acceptance of this authority. We work with the client so that policies and guidelines are written to reflect the client's specific needs and intentions. Once the client approves an investment policy statement and guidelines, TWIS may accept discretionary authority for functions such as investment manager selection or termination, rebalancing, and asset sourcing.

The parameters of the discretionary authority are set out in our services agreement with the client.

ITEM 17: VOTING CLIENT SECURITIES

TWIS generally does not have the authority to vote client proxies for its advisory clients, which are clients for whom TWIS has not been delegated discretionary authority. Advisory clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Unless clients specify otherwise with their investment managers, proxies and/or other solicitations will be provided to them directly from their custodian, fund manager, or transfer agent. TWIS may from time to time provide advice to clients regarding proxy voting services, and clients may periodically consult with TWIS in relation to particular proxies. Advisory clients may contact their lead consultant with questions about a particular solicitation, or contact twiscompliance@towerswatson.com.

For Delegated Investment Services clients, TWIS generally authorizes clients' respective investment managers to vote proxies for individual securities. Proxy voting by TWIS for TWIM Funds follows the same general process as for other managers; the investment managers are authorized to vote proxies for individual securities in accordance with fund documents. For investments of Delegated Investment Services clients which do not have an investment manager to receive delegated proxy voting authority, TWIS may vote proxies at the fund/company level. TWIS seeks to mitigate any potential conflicts that may arise in connection with the voting of proxies by convening a TWIS committee to evaluate each such proxy on a case by case basis. TWIS will vote in the best interest of shareholders, as determined by TWIS and in accordance with TWIS's fiduciary duties and Rule 206(4)-6 under the Investment Advisers Act of 1940. Delegated clients may direct TWIS to vote in a particular way only if the client has expressly reserved proxy voting responsibility. Clients may obtain information about TWIS proxy voting by contacting their lead consultant, and may obtain a copy of TWIS's proxy voting policies and procedures upon request.

ITEM 18: FINANCIAL INFORMATION

TWIS does not request or require payment of fees in excess of \$1,200 per client for six months or more in advance. We are aware of no financial condition that would be reasonably likely to impair our ability to meet contractual commitments to clients. We have not been the subject of a bankruptcy petition at any time during the past ten years.