

# GOODWIN CAPITAL ADVISERS, INC.

## Form ADV Part 2A

March 17, 2016

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This Brochure provides information about the qualifications and business practices of Goodwin Capital Advisers, Inc. ("Goodwin"). If you have any questions about the contents of this Brochure, please contact us at 800-814-1897 or at [MoreInfo@GoodwinCap.com](mailto:MoreInfo@GoodwinCap.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.

Goodwin is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information to determine whether to hire or retain an Adviser.

Additional information about Goodwin is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

On September 18, 2015 Conning & Company, who is the parent of Goodwin Capital Advisers, Inc., was acquired by Cathay Financial Holding Co., Ltd. through its subsidiary Cathay Life Insurance Co., Ltd.

Conning will continue to operate with an independent Board of Directors and governance structure. The Board will retain the majority of current Directors and there have been no material changes to portfolio management.

We will provide you with a new Brochure at any time, without charge. Our Brochure may be requested by contacting our Chief Compliance Officer at 860-299-2151 or [MoreInfo@GoodwinCap.com](mailto:MoreInfo@GoodwinCap.com).

Additional information about **Goodwin Capital Advisers, Inc.** is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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#### **Item 4 – Advisory Business**

Goodwin Capital Advisers, Inc. (“Goodwin”) is a registered investment adviser with the Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940. Goodwin was founded on January 1, 2007 as a successor to the fixed income division of Phoenix Investment Counsel, which is now known as Virtus Investment Partners, founded in 1969. On November 18, 2011, Goodwin was purchased by Conning & Company, a Hartford, CT based investment management firm. Goodwin is a wholly owned subsidiary of Conning & Company.

Goodwin specializes in managing fixed income investments on behalf of institutional clients. Goodwin offers a range of actively managed multi-sector strategies. As of December 31, 2015, Goodwin’s total assets under management totaled \$1.284 billion, which are managed on a discretionary basis.

Goodwin provides investment services for diversified third-party clients. Goodwin’s client base includes various corporate, public, and Taft- Hartley pension plans.

#### **Institutional Accounts**

Goodwin provides fixed income investment management services to institutional clients. Goodwin only manages the assets which are the subject of its management agreement and does not consider the client's other assets and other obligations. Goodwin receives authority to supervise and direct the investment of the assets on a discretionary or non-discretionary basis in accordance with the clients’ written objectives and limitations as outlined in each individual clients Investment Management Agreement. Clients could impose restrictions or limitations on investing in specific securities or specific types of securities.

#### **Other Related Investment Management Services**

Goodwin also serves as sub-adviser for a Collective Investment Trust Fund within the Hand Composite Employee Benefit Trust sponsored by Hand Benefits & Trust Company.

#### **Item 5 – Fees and Compensation**

The client’s Investment Management Agreement specifies the fees charged by Goodwin. All fees are subject to negotiation. Other charges, fees and commissions are in addition to Goodwin’s management fee. Goodwin’s fees do not include brokerage commissions, transaction fees, and other related costs and expenses which shall be paid by the client. Goodwin does not receive any portion of these additional fees.

Clients do incur other charges including charges imposed by custodians.

**Institutional Accounts**

Asset management fees are determined based on contractual provisions and are earned based on percentages of the assets under management. Billing is generally conducted quarterly in arrears with the majority of asset management clients billed based on quarter end value. Goodwin does not deduct management fees from a client's account. Management fees are prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of contributions and withdrawals made in the ordinary course of business, such as fees and expenses). Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee.

The fees charged for separately managed accounts are subject to negotiation and are based on the fair market value of the assets depending on the size of the account and strategy selected.

The fee schedule by investment strategy is as follows:

	<b>CORE</b>	<b>CORE PLUS</b>	<b>CORE PLUS LONG</b>	<b>INTERMEDIATE CORE</b>
Assets up to \$25 million	0.300%	0.350%	0.350%	0.300%
Next \$25 million	0.250%	0.275%	0.275%	0.250%
Next \$50 million	0.225%	0.250%	0.250%	0.225%
Next \$100 million	0.200%	0.225%	0.225%	0.200%
Next \$100 million	0.175%	0.200%	0.200%	0.175%
In excess of \$300 million	0.150%	0.175%	0.175%	0.150%
Minimum account size	\$15 million	\$15 million	\$15 million	\$15 million
Minimum fee	\$45,000	\$52,500	\$52,500	\$45,000

**Collective Investment Trust Funds**

At this time, the fund offers one share class in which Goodwin will receive an annual management fee of 30bps.

**Item 6 – Performance-Based Fees and Side-By-Side Management**

Currently, Goodwin does not have any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

“Side-by-side management” refers to the simultaneous management of multiple types of client accounts and/or investment products. For example, Octagon Credit Investors, LLC., an affiliated registered investment adviser, manages the CLO accounts and Private Funds, which may follow similar, complementary or competing investment objectives, policies or strategies. Side-by-side management gives rise to a variety of potential and actual conflicts of interest for Goodwin and its employees and affiliates, including, as discussed below, the incentive to favor certain accounts with performance-based fees or accounts that generate multiple levels of fees (i.e., when fee earning clients invest in Octagon managed CLOs) or accounts in which Octagon and its related persons have a pecuniary interest. Employees of Octagon and Goodwin, including persons who serve on Octagon’s investment committees or Board of Managers, or act as portfolio manager to various clients, may invest in funds, or may take interests in a fund’s general partner and thus participate in the performance fees or “carried interest” paid to the general partner by that fund. Accordingly, Octagon, Goodwin, and their respective affiliates and personnel, including persons involved in the management of one or more clients, may have differing pecuniary interests with respect to different clients. These persons may have an incentive to favor those clients in which they have greater pecuniary interests. See Item 10 – *Other Financial Industry Activities and Affiliations*.

#### **Item 7 – Types of Clients**

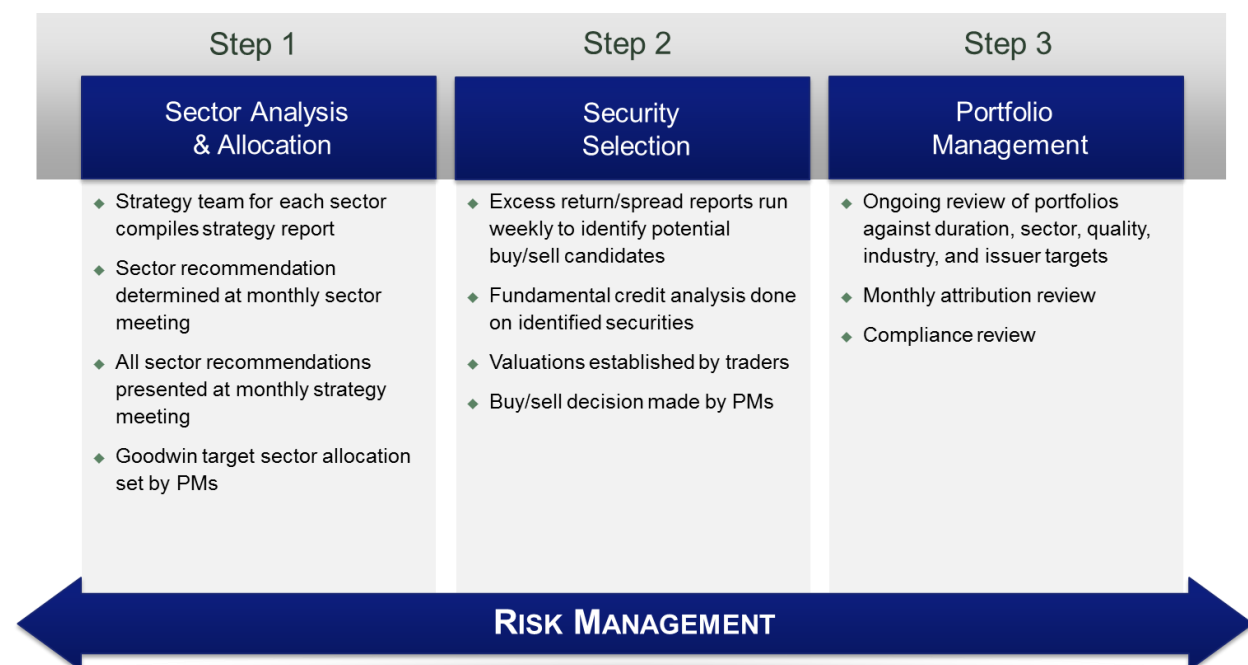
As stated in Item 4, Goodwin Capital Advisers provides fixed income investment services for third-party clients. Our client base includes various corporate, public, and Taft- Hartley pension plans.

Regardless of client type, Goodwin’s client minimum account size for opening and maintaining an account is stated in Item 5.

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

Goodwin’s strategy employs active sector rotation, strong security selection and disciplined risk management, which provides the most effective means to achieve excess returns in the fixed income market. Goodwin seeks the best opportunities to maximize total return while avoiding interest-rate forecasting. Goodwin offers a number of fixed income strategies of varying durations and risk levels. Investing in securities involves risk of loss that clients should be prepared to bear.

Goodwin uses a relative value approach to the fixed income market which stresses active sector rotation, and if allowed in client guidelines, could include below investment grade debt and emerging markets. See illustration on the following page.



Goodwin's investment process relies upon intensive fundamental analysis and disciplined risk management. There are three steps in our portfolio management process: 1) sector analysis and allocation; 2) fundamental research and issue selection; and 3) portfolio construction; portfolio oversight and risk management.

Goodwin's sector allocation process begins with the analysis of each of the sectors in their investment universe. Goodwin seeks to establish relative valuations among the sectors in order to identify where the greatest opportunities lie. Based on the assessment of relative value, Goodwin establishes target portfolio allocation percentages for each sector, emphasizing those sectors Goodwin believes are most undervalued.

Issue selection combines a focus on valuations with fundamental analysis, to identify undervalued securities. Goodwin has deep credit research resources commensurate with the scope of its investment universe. The internal credit research process is proactive and seeks both to identify the current fundamentals of a particular issuer and to predict future developments in credit rating for specific issues.

Portfolio construction is a combination of top-down sector allocation and bottom-up issue selection, both of which are based on relative valuation. Portfolios are designed to be neutral in terms of duration relative to the benchmark or peer-group, to minimize exposure to interest rates. The portfolio construction process begins with the analyst and/or the trader bringing new information to the portfolio manager, who performs the

final assessment of relative valuation and, where appropriate, makes the decision regarding optimum position size and suitable portfolios for placement. Regular monitoring and review are critical to the integrity of the risk management process. Goodwin has multiple levels of monitoring and review involving every level of our research and management staff.

## **Risk Management**

**Credit Risk:** The risk that the issuer of a security will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of the security to decline. Debt securities rated below investment-grade are especially susceptible to this risk.

**Sector Risk:** The value of securities focused in a particular industry or market sector will be highly sensitive to financial, economic, political and other developments affecting that industry or market sector, and conditions that negatively impact that industry or market sector will have a greater impact as compared to an account that does not have its holdings similarly concentrated.

**Interest Rate Risk:** The value of fixed income securities usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the value of existing instruments, and rising interest rates generally decrease the value of existing instruments. Changes in value usually will not affect the amount of interest income, but will affect the value of shares. Interest rate risk is generally greater for investments with longer maturities.

Certain fixed income securities pay interest at variable or floating rates. Variable rate securities reset at specified intervals, while floating rate securities reset whenever there is a change in a specified index rate. The market prices of these securities could fluctuate significantly when interest rates change.

**Structured Risk:** These types of securities share many of the same risks. The impairment of the value of collateral or other assets underlying a mortgage-backed or asset-backed security, such as that resulting from non-payment of loans results in a reduction in the value of such security and losses. Early payoffs in the loans underlying such securities result in receiving less income than originally anticipated. Securities with longer maturities tend to fluctuate in value more widely in response to changes in interest rates than shorter-term securities.

**Market and Economic Risk:** Investment value may decline due to changes in general economic and market conditions. A security's value held in an account may change in response to developments affecting entire economies, markets or industries, including changes in interest rates, political and legal developments, and general market volatility.



**Foreign Investing Risk:** Investing in securities of non-U.S. companies involves special risks and considerations not typically associated with investing in U.S. companies, and the values of non-U.S. securities are more volatile than those of U.S. securities. The values of non-U.S. securities are subject to economic and political developments in countries and regions, or where the securities are traded. Values could also be affected by restrictions on receiving the investment proceeds from a non-U.S. country.

**Emerging Market Risk.** The risks of foreign investments are generally greater in countries whose markets are still developing than they are in more developed markets. Emerging market countries typically have economic and political systems that are less fully developed, and can be expected to be less stable than those of more developed countries. Investments in emerging markets are considered speculative.

**Liquidity Risk:** Due to a lack of demand in the marketplace or other factors, an account may not be able to sell some or all of the investments promptly, or may only be able to sell investments at less than desired prices. Certain debt securities are substantially less liquid than many other securities.

**Risks Affecting Specific Issuers:** The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including but not limited to management issues or other corporate disruption, political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

**Derivatives Risk:**

Goodwin periodically buys or sells forwards, futures or other derivatives so long as it is consistent with the client investment guidelines. Derivatives involve risks associated with the securities or other assets underlying the derivatives, as well as risks different or greater than the risks affecting the underlying assets. Risk unassociated with the underlying assets include the inability or unwillingness of the other party to a derivative to perform its obligations to an account, an account's inability or delay in selling or closing positions in derivatives, and difficulties in valuing derivatives.

## **Item 9 – Disciplinary Information**

Goodwin and its management personnel do not have any disciplinary information to report.

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

### **Industry Affiliations**

Goodwin is a wholly owned subsidiary of Conning & Company whose parent is Conning Holdings Limited which is a wholly-owned subsidiary of Cathay Life Insurance Co., Ltd., a Taiwanese company. A list of Goodwin's affiliated entities is specifically disclosed on Schedule D of Form ADV, Part 1 at Item 7.A. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

Goodwin is an affiliate of Conning, Inc., Conning Investment Products, Inc., and Octagon Credit Investors, LLC. ("Octagon") which are all registered investment advisers with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940. Certain individuals will assume dual responsibilities within Goodwin and its affiliates in relation to Portfolio Management, Trading, IT, Legal, Board Members and other services. All individuals must adhere to our Code of Ethics, which is outlined in Item 11.

Conning, Inc. provides investment management and advisory services for Cathay Life Insurance Co., Ltd., which is a parent of Conning & Company.

### **Conflicts of Interest Associated with Affiliated Advisers and Other Business Activities**

Conning & Company owns a majority interest in Octagon. Octagon's investments generally consist of different investment asset classes from those that Conning, CIP, and Goodwin generally invests in on behalf of their clients. Currently investment opportunities are generally not expected to overlap as between Octagon and Goodwin clients. Octagon and Goodwin maintain separate investment committees which are responsible for making the investment decisions on behalf of each adviser's clients, in accordance with their investment strategies. Conning has appointed one person as an observer with respect to Octagon's investment committee. This individual is not involved in the investment decision-making process or portfolio management for Goodwin or any other affiliate, and does not have access to material nonpublic information from Goodwin or any other affiliate.

### ***Material Nonpublic Information***

Discussions and interactions between Octagon and Goodwin personnel are subject to the compliance policies and procedures that have been implemented within and between their respective businesses, including the establishment of information barriers in order to mitigate the potential for any conflict of interest involving material nonpublic information concerning an issuer of securities or a borrower of bank loans.

Though unlikely, a breach or failure of information barriers between the firms could occur, which could result in clients of Goodwin being unable to engage in certain transactions they would otherwise find attractive, or being able to engage in such transactions only during limited periods of time. This could result in a client of Goodwin not being able to acquire or sell an investment that it otherwise might have acquired or sold.

In an effort to manage possible risks from the inadvertent sharing of such information notwithstanding the barriers described above, both Octagon and Goodwin maintain a Code of Ethics program and provide training to supervised persons with respect to the receipt and handling of material nonpublic information. In addition, each advisor maintains a Compliance Department which maintains a restricted securities list which the firm may have access to material nonpublic information and which certain clients and/or employees are not permitted to trade. Nevertheless, notwithstanding the maintenance of restricted lists and other internal controls, it is possible that the internal controls relating to the management of material nonpublic information could fail and result in Goodwin or one of its investment professionals, buying and selling a security while, at least constructively, in possession of material nonpublic information. Inadvertent trading on material nonpublic information could have adverse effects on Goodwin's reputation, result in the imposition of regulatory or financial sanctions, or Goodwin could be required to refrain from taking an investment action. Each of these could negatively impact Goodwin's ability to perform their investment management services on behalf of their clients.

Goodwin may decline to receive certain information available to loan market participants, which may include material non-public information about a loan issuer, in order to avoid trading restrictions with regard to securities of that issuer, even though access to such information may have been advantageous to a client investing in loans. Clients and investors may be adversely affected by such restrictions.

Conflict of interest within these interrelationships could include using the same vendor for different services.

### **Broker-Dealers**

Goodwin has a direct affiliated broker-dealer, Conning Investment Products, Inc. ("CIP"). Goodwin does not use this entity for client security transactions; however, CIP does offer affiliated and/or non-affiliated private funds to Goodwin clients.

CIP has entered into a placement agreement with Octagon through which interests of Octagon Private Funds will be offered going forward. Octagon will pay placement fees out of existing management and incentive fees, and additional fees will not be imposed on the client or investor. To the extent permitted by a Private Fund's Governing Documents, expenses in connection with offering Private Fund interests, including those

incurred by CIP, may be borne by the Private Funds. Certain Goodwin and Octagon personnel are registered as representatives or principals of CIP, for purposes of offering the Private Funds.

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

Goodwin has a code of ethics for the entire firm describing its standard of business conduct and responsibility to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Goodwin must accept the terms of the Code of Ethics on an annual basis, or sooner if amended.

The Code of Ethics prohibits employees from buying or selling a security (with certain exemptions) held in their personal account within three business days before and after a client account trades the same security. In addition, employees are required to hold a security for no less than 30 days after purchase.

Goodwin's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the Chief Compliance Officer.

For more information on our Brokerage Practices, please refer to Item 12.

### **Item 12 – Brokerage Practices**

In the absence of specific written instructions in a client's investment management agreement, Goodwin has discretion in selecting brokers for client transactions.

Goodwin seeks best execution at the best price available for each trade. Goodwin also takes into consideration several factors, such as:

- ❖ the brokers ability to execute the trade;
- ❖ the size of the trade;
- ❖ characteristics of the security;
- ❖ the quality and reliability of brokerage services; and
- ❖ the overall direct net economic results to the account.

Goodwin also considers the availability of the broker to stand ready to execute possibly difficult transactions in the future, and the financial strength and stability of the broker.

Goodwin currently does not participate in soft dollar arrangements.

Goodwin does not receive client referrals from any broker.

When possible, Goodwin aggregates orders in accordance with client guidelines, for the purchase or sale of the same security for all participating accounts. From time to time, Goodwin account orders are aggregated with account orders of Conning. When an order is filled in its entirety, each participating account receives their full allocation at the agreed upon trade execution price. When an order is partially filled, each participating account receives a pro rata allocation, at the agreed upon trade execution price, subject to certain exceptions including de minimis orders, in which case, de minimis allocation tracker or needs based procedures or are used. Transaction costs are shared on a pro rata basis for all participating accounts.

SEC Rule 206(3)-2 of the Investment Advisers Act of 1940 allows an investment adviser, under certain circumstances, to engage in inter-account transactions. If one client of an investment adviser is looking to sell a security in its portfolio and another client of the same investment adviser is looking to purchase that security, this rule permits the investment adviser to do a cross trade between the two accounts. The buy/sale must be at fair market value and with no commissions. Goodwin will only engage in these cross trades when advantageous to both clients and with prior approval from the Chief Compliance Officer. Cross transactions will not be conducted through an affiliated broker-dealer.

Goodwin does accept direction from clients regarding which brokers to use. Currently, all client-directed brokerage is subject to most favorable execution and best execution.

Goodwin's Best Execution Committee consists of members from Investment Management, Trading, Operations and Compliance. The Committee meets quarterly to set, guide and review Goodwin's brokerage allocation and practices. New brokers are reviewed and approved by the Chief Risk Officer and the Compliance Department.

Goodwin does direct the purchase of securities on behalf of clients, in secondary market transactions, in public offerings directly from an underwriter or in privately negotiated transactions with an issuer. Securities purchased in public offerings could be resold shortly after acquisition in the immediate aftermarket to take advantage of price appreciation from the public offering price or for other reasons. Short-term trading of securities acquired in public offerings, or otherwise, may result in higher portfolio turnover.

If consistent with a client's investment objectives, investment restrictions, and risk tolerance, Goodwin purchases securities sold in underwritten new issues, ("deal securities") for client accounts. Deal securities are allocated among participating accounts in a fair and equitable manner so as not to unfairly discriminate in favor of certain clients or types of accounts. When a portfolio manager receives a reduced allocation of deal securities, the portfolio manager will allocate the reduced allocation

among accounts in accordance with the allocation percentages set forth in the initial allocation instructions for the deal securities, except where this would result in de minimis allocation to any client account.

Fixed income securities are priced on a daily basis when available from Goodwin's pricing vendor (Reuters/Markit). For month end portfolio pricing, Goodwin manually prices any fixed income security that is not priced by a vendor, using a pre-determined source hierarchy. When Reuters is unable to provide a price, Goodwin will look to Markit then the *street* (i.e., brokers buying/trading/selling) to provide pricing; therefore, where a broker-provided pricing is available, these take a highest precedence after Reuters and Markit. When a broker is unable to price a security, Barclay's Index pricing will be used. Goodwin's Credit and Trading Groups may research securities, particularly distressed securities and if documented and justified for using a particular price level/method, that price will be used. Where pricing is not available from any 3<sup>rd</sup> party sources and sufficient information is available (via Bloomberg or other documentation) to model the security on Yieldbook, it is modeled using the best available indicative information. Goodwin will then use the Corporate Spread Matrix to provide a spread and apply to Yieldbook. When not enough information is available to model the security, we will benchmark the security using the monthly price return of a Barclays Sector Index. If we are not able to price using the Spread Matrix, a Bloomberg price will be used, if available. Finally, when no information is available, we will use the prior month price adjusted based on the price return of a pre-determined index. When these analytic methods cannot be used and no information is available, Goodwin will use the prior month price as a last resort. Also, depending on the availability and timeliness of supporting documentation, the purchase price is used if/when it has been purchased within the month as this price represents an actual transaction price. Where the purchase was made closer to the beginning of the month there is greater emphasis on identifying a source from the hierarchy. Where supporting documentation is not available the purchase price is used.

Additionally, the supervisory team responsible for best execution quality standards meets quarterly and reviews transactions against all Goodwin-priced valuations; variances of 5% or more must be explained and documented.

Goodwin could give advice, or take action, with respect to any one client account which differs from the advice given, or action taken, with respect to another client account. However, Goodwin, to the extent practical and over a period of time, allocates investment opportunities to each account on a fair and equitable basis relative to other similarly-situated client accounts based on client guidelines and cash availability.

As in any business, mistakes do happen despite the good intentions of employees and the controls in place. Goodwin will correct trading errors in a timely and appropriate manner.



### **Item 13 – Review of Accounts**

Goodwin's portfolio manager's review all advisory client portfolios on an on-going basis including performance and ensures compliance with client investment guidelines and restrictions. A separate independent Risk Management Group monitors portfolio compliance, pricing, performance, credit risk, and other risk factors daily (transaction review, pre-trade compliance), weekly (credit review), and monthly (pricing, post-trade compliance reports, performance vs. benchmark).

Goodwin will provide all clients written reports on a quarterly basis. Reports include market commentary, account performance, portfolio-related characteristics, appraisal and transactions. Goodwin will provide reports on a more frequent basis if requested.

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

Goodwin does not accept client referral fees or receive any other compensation for managing assets other than what was previously stated in Item 5.

Goodwin has arrangements whereby it pays a solicitor and/or firm employees for client referrals. Solicitors are compensated on the basis of fee retainer or fee revenue from the client as well as paying the expenses of the solicitation. Compensation is negotiated on a case-by-case basis, after Goodwin ascertains that the referring party is not a person disqualified under Rule 206 (4)-3(a)(1)(ii). Solicitor compensation is paid pursuant to a written agreement requiring the referring party to deliver to the client a current copy of Goodwin's written disclosure statement together with a separate written disclosure statement meeting the requirements of Rule 206(4)-3(b) that includes the following information:

- the solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is Goodwin's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Goodwin currently has a solicitor arrangement with Matrix Capital Group, Inc. to solicit certain multi-employer plans, Taft-Hartley funds, or public markets. This solicitor has no affiliation or connection with Goodwin or any related party.

### **Item 15 – Custody**

Goodwin does not have custody of client funds or securities. Clients receive at least quarterly, statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. Goodwin urges clients to carefully review those statements and compare official custodial records to the account statements that Goodwin provides to clients as noted in Item 13. On occasion, Goodwin's statements vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Goodwin typically receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities bought or sold. In all cases, however, such discretion is exercised in a manner consistent with the stated investment objectives in the investment management agreement for the particular client account.

When selecting securities and determining amounts, Goodwin observes the investment policies, limits and restrictions as outlined in the investment management agreement.

### **Item 17 – Voting Client Securities**

Goodwin generally does vote proxies on behalf of clients who contract this service via their investment management agreement. Goodwin utilizes the services of an outside proxy voting firm in order to vote on the client's behalf. Votes are cast in accordance with pre-determined guidelines provided by Goodwin which are based upon the clients' best interests. Clients may obtain a copy of our complete proxy voting policies and procedures or how their proxies were voted by contacting us by telephone, email, or in writing.

Goodwin is affiliated with Conning, which is an investment adviser primarily to insurance companies. As a result, the definitive situation where Goodwin's interest would be directly in conflict with that of a client when voting a proxy is where the issuer of the security is an insurance company, that is either a client or potential client of Conning. In that interest, it is conceivable that Goodwin could be tempted to vote a proxy in line with management's interest rather than shareholders' interest, in order to obtain favorable treatment from company decision makers who may wish to hire or retain Conning as an investment adviser.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact their portfolio manager.



Under no circumstances will Goodwin act on behalf of its clients in legal proceedings, including class actions or bankruptcies involving securities purchased or held in the client account, other than with respect to bankruptcies involving private placement securities where such services have been retained by a client. If desired, clients have the ability to direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

### **Item 18 – Financial Information**

Goodwin has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.