

TW Asset Management LLC

Part 2A of Form ADV Firm Disclosure Brochure

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Address: One Montgomery Street, Suite 3700,
San Francisco, CA 94104
Telephone: (415) 364-2500

This brochure provides information about the qualifications and business practices of TW Asset Management LLC. If you have any questions about the contents of this brochure, please contact Cindi Perez at (415) 364- 6088. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. TW Asset Management LLC is a registered investment adviser; however such registration does not imply a certain level of skill or training.

Additional information about TW Asset Management LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

There have been no material changes to the information presented in this Brochure since TW Asset Management LLC's last annual update on March 21, 2011. We have, however, made non-material changes to the information in this Brochure and encourage each client to read the Brochure in its entirety.

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Advisory Business

Firm Description

TW Asset Management LLC (“TW”) was formed on October 6, 2006, began managing assets on November 15, 2006, and registered with the Securities and Exchange Commission as an investment adviser on March 23, 2007. TW is a Delaware limited liability company that is a majority-owned subsidiary of Thomas Weisel Asset Management LLC (“TWAM”) which, in turn, is a wholly-owned subsidiary of Thomas Weisel Partners Group, Inc., itself a wholly-owned subsidiary of Stifel Financial Corp. Stifel Financial is a financial services holding company whose stock is publicly-traded on the New York Stock Exchange under the symbol “SF”. Stifel Financial subsidiaries provide a full range of financial services, including investment banking (such as strategic advisory services and equity underwriting to high quality growth companies), research, institutional brokerage (including equities trading and global distribution for large institutional investors), private equity investing, retail brokerage and investment advisory services.

Principal owners

Ownership of TW is currently split as follows: 65% is held by TWAM, and 35% is held by members of the TW portfolio management team (none of whom individually owns 25% or more of the company). Information about TW’s portfolio managers is included in the Form ADV Part 2B provided with this Brochure.

Type of Advisory Services

TW provides investment advice on a fully discretionary basis to high net worth individuals and institutions. TWAM currently specializes in managing small cap, small/mid cap and mid cap U.S. equity securities portfolios.

Tailored Relationships

TW may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives but trading in the same securities. Despite such similarities, portfolio decisions relating to clients’ investments and the performance resulting from such decisions may differ from client to client as a result of, for example, restrictions that the client has imposed on the account. TWAM generally allows each client to impose restrictions its account(s) such as with respect to investing in certain securities or types of securities. However, in the event that TW determines that the restrictions involved will substantially and/or adversely affect its management of the account(s), it may refuse to comply with the restrictions. TW’s goal is to ensure that clients’ objectives and reporting needs are met to their specifications.

Wrap Fee Program

TW acts as portfolio manager for wrap fee programs sponsored by its affiliated broker-dealer, Stifel, Nicolaus & Company, Inc. (“Stifel Nicolaus”). In each case, the end wrap client pays an all inclusive fee to Stifel Nicolaus covering its custodial, execution and other services, as well as the portfolio management services rendered by TW. Stifel Nicolaus then pays a portion of the

wrap fee received from its wrap client to TW for its services. Wrap accounts differ from other accounts managed by TW as follows:

- 1) All trades are directed to the wrap program sponsor, in this case, Stifel Nicolaus. TW will not effect trades for any other client account through its affiliated brokers unless specifically directed to do so by the applicable client.
- 2) To meet TW's minimum account size of \$10 million, Stifel Nicolaus aggregate each underlying wrap client account.
- 3) TW generally does not have direct client relationships with wrap account holders; rather the wrap client interfaces with Stifel Nicolaus and its representatives who then forward applicable information to TW. Among other things, wrap clients may direct TW, through Stifel Nicolaus, to perform tax loss selling affecting their returns. TW does not independently verify the accuracy of such information.

Assets Under Management

As of December 31, 2011, TWAM managed assets in the amount of \$212.63 million, all on a discretionary basis.

Fees and Compensation

Investment Management Service Fees

TW has a standard fee schedule based on the type of account (for example, separate account or mutual fund) and the investment approach used (for example, small cap, mid cap, or small/mid cap). Typically, annual management fees are calculated as a percentage of the net market values of applicable client accounts based on market close prices as of the last business day of the preceding quarter.

In general, annual management fees are payable quarterly in advance and may be pro-rated if an account is opened or receives an additional capital contribution on a day that is not the first business day of the calendar quarter. Accounts closed during a billing period are charged a pro-rata fee for the time that the account was opened and any unused portion of the advanced payment will be returned to the client. Notwithstanding the foregoing, wrap accounts may be subject to different billing schedules and/or pro-ratio or re-imbursement policies based on the sponsor's applicable policies.

The standard account fee for TW's Mid Cap Growth Strategy is 0.85%.

The standard account fee schedule for TW's Small Cap Growth Strategy is as follows:

On the Amount that is	Fee
Less than or equal to \$50 million	1.00%
Greater than \$50 million but less than or equal to \$100 million	0.95%
Greater than \$100 million	0.90%

The standard account fee schedule for TW's Small/Mid Cap Growth Strategy is as follows:

On the Amount that is	Fee
Less than or equal to \$50 million	0.95%
Greater than \$50 million but less than or equal to \$100 million	0.90%
Greater than \$100 million	0.85%

Fees Negotiable

From time to time, TW may negotiate fees with clients depending on, but not limited to, account size, customization, multi-product relationships, date of establishment of the advisory relationship, or other circumstances or factors that TW may deem relevant. In addition, a different fee schedule may apply if TW manages an account on a sub-advisory or wrap fee platform. In such cases, the end-client may be charged an annual fee (by the sponsor or manager, as the case may be) in a range of between 1.25% and 2.50%, of which a range of 0.50% and 1.50% may be payable to TW. In each case, TW's applicable fee is as stated in the investment management agreement with the wrap sponsor or manager.

Termination of Client Relationship

Clients may terminate investment advisory contracts by providing written notice in accordance with the terms of the applicable contract (usually 30 days).

Fee Billing

Clients are invoiced their fees directly on a quarterly basis; TW does not obtain authority to deduct fees directly from client accounts.

Other Investment Products

Associated persons of TW do not sell investment products to clients and, as such, do not receive additional compensation in respect of investment recommendations and other advice given to clients.

Trading and Other Costs

Clients generally will pay custodial fees, brokerage and other transaction costs in connection with TW's advisory services. To the extent that TW invests client assets in a registered investment company, such as an exchange traded fund ("ETF"), the client also will incur internal expenses charged directly by the applicable ETF. These expenses are separate and in addition to TW's management fees. Internal expenses are described in each ETF prospectus. The prospectus contains important information about the ETF being offered and should be reviewed carefully. Additional details about brokerage transactions are provided below under the section "***Brokerage Practices***".

Performance-Based Fees and Side-By-Side Management

TW does not charge performance-based fees with respect to any of its existing client accounts.

Types of Clients

TW provides investment advice to high net worth individuals, pension and profit sharing plans, charitable organizations, corporations or other business, wrap fee platforms, as well as mutual funds. The minimum account size for TW's asset management services generally is \$10,000,000. TW may waive this account minimum in its discretion.

Methods of Analysis, Investment Strategies and Risk of Loss

Type of Investments

TW specializes in creating growth portfolios and currently offers the following three investment strategies to help its clients meet their investment needs: Small Cap Growth Strategy, Small/Mid Cap Growth Strategy, and Mid Cap Growth Strategy (collectively, "Strategies").

Method of Analysis and Investment Strategies

In managing its small, small/mid and mid cap U.S. equity portfolios, our portfolio managers analyze public filings, third-party research, news and interviews with company management, competitors, suppliers and customers. In general, the portfolio managers seeks to identify companies with shareholder oriented management teams, with strong revenue growth and strong positioning relative to competitors.

The portfolio managers then apply various valuation techniques to each company to develop price points at which TW would buy and sell the security, and identify those companies that the portfolio manager(s) believe present favorable opportunities for return relative to the levels of risk. A portfolio manager may also consider, among other factors, a company's buy and sell price points, risk/reward profile and its potential price volatility to create a "roadmap" for the optimal size of the investment in each company. The portfolio managers will then use this roadmap to allocate capital across and within market capitalizations and industry sectors.

Our portfolio managers continually evaluate each security in client portfolios to determine whether TW should continue to maintain its investment in such securities. We generally will sell or reduce an investment position the applicable portfolio manager(s) believe:

- the initial reasons for buying the security are no longer valid;
- the risk/reward profile of the position is no longer favorable;
- adjustments are appropriate in light of capital allocation targets within or across industry sectors or risk management parameters; or
- a better investment opportunity exists.

Risk of Loss

The following is a list of certain principal risks that may apply to clients with one or more accounts in our Strategies:

- **Market Risk:** All investments are subject to the risk that the market value of the security may fluctuate, sometimes rapidly and unpredictably. Securities may decline in value due

to factors affecting securities markets generally, or the specific company in particular. Factors that affect securities markets generally include real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Factors that may affect a particular industry or industries include labor shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously.

- Management Risk: We may not be successful in selecting the best-performing securities or investment techniques, and an account performance may lag behind that of similar accounts. We may also miss out on an investment opportunity because the assets necessary to take advantage of an opportunity are tied up in other investments, potentially including investments that may not perform as well as the investment opportunity.
- Small-Cap/Mid-Cap Securities Risk: Small-cap and mid-cap companies may be more vulnerable than large-cap companies to adverse business or economic developments. Securities of such companies may be less liquid and more volatile than securities of large-cap companies and therefore may involve greater risk.
- Exchange-Traded Funds (ETFs) Risk: When investing in ETFs, a client will bear a proportionate share of the ETF expenses. Although ETFs seek to provide investment results that correspond generally to the price and yield performance of a particular market index, the price movement of an ETF may not track the underlying index.
- Foreign Securities Risk: Some of the Strategies may hold securities of non-U.S. companies denominated in U.S. dollars (including depositary receipts). Such securities may be less liquid and their prices more volatile than those of securities of comparable U.S. companies for a number of reasons. Less information may be available to investors concerning non-U.S. issuers. Investing in foreign securities is subject to the risk of political, social or economic instability in the country of the issuer of a security, variation in international trade patterns, the possibility of the imposition of exchange controls, expropriation, confiscatory taxation, limits on movement of currency or other assets and nationalization of assets. Depositary receipts are generally subject to the same risks as the foreign securities that they evidence or into which they may be converted. In addition, unsponsored depositary receipts may be subject to the risk that their issuer may not be obligated to disclose information that is, in the United States, considered material. Therefore, there may be less information available regarding these issuers and there may not be a correlation between such information and the market value of the depositary receipts.

Investing in securities involves risk of loss that clients should be prepared to bear.

Disciplinary Information

No disciplinary action with respect to TW and its employees.

Other Financial Industry Activities and Affiliations

Certain affiliates of TW are registered as broker/dealers and certain of TW's management and/or associated persons are registered representatives of a broker/dealer.

As set forth above, TW is a member of the Stifel Financial affiliated group of entities, which includes registered broker-dealers and/or registered investment advisers. These affiliates include Thomas Weisel Partners, LLC; Stifel Nicolaus; Century Securities Associates, Inc.; Stone & Youngberg LLC; Thomas Weisel Capital Management LLC; Thomas Weisel Global Growth Partners LLC; Thomas Weisel Asset Management LLC; Missouri Valley Partners, Inc.; and Choice Financial Partners, Inc. TW shares operational and/or administrative staff with a number of these affiliates; however, TW has its own dedicated portfolio management staff.

TW manages assets for or on behalf of various affiliates, including Stifel Nicolaus (wrap accounts) and Thomas Weisel Partners Group Inc. Stifel Nicolaus' wrap fees generally do not vary on the basis of the managers selected. As a result, when the end-wrap client selects TW out of all other managers available under the Stifel Nicolaus wrap platform, the total portion of the wrap fees that is retained by the Stifel Financial affiliated group will be higher than when the wrap client selects an unaffiliated adviser.

Stifel Nicolaus may act as a selling broker and/or placement agent for investment funds managed by TW, or may act as underwriter or placement agent in connection with the public or private sales of securities owned by a TW advisory client. In addition, from time to time, Stifel Nicolaus may separately provide other services to TW's client and/or to the issuers of securities held in TW's portfolios. In such instances, Stifel Nicolaus generally will be paid customary fees for its services. In each such case, the client will receive appropriate disclosure of the affiliated relationship between Stifel Nicolaus and TW.

TW has adopted policies and procedures designed to address conflicts, including policies restricting TW's trading in a security when an affiliate notifies TW that the affiliate has material non-public information about the security and/or issuer. As a result, TW may not be able to dispose of a security at a favorable time or take advantage of investment opportunities that would be available to it but for its affiliation with such affiliates. As set forth above, TW generally does not use affiliated brokers for execution and/or custody except with respect to wrap accounts offered by such affiliates or as expressly directed by the applicable client. In addition, a TW employee or an affiliate's employee can only invest or withdraw assets from an investment account or mutual fund managed by TW at a time when other unaffiliated customers could do the same.

Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

Code of Ethics

TW has adopted a Code of Ethics applicable to all supervised persons which code is designed to comply with the requirement of both Rule 204A-1 under the Investment Advisers Act of 1940

(the “Advisers Act”) and Rule 17j-1 under the Investment Company Act of 1940, as amended (the “Company Act”). The Code reinforces the fiduciary principles that govern supervised employees, including:

- Setting forth standards of business conduct that are expected of all associated persons, which standards reflect our fiduciary duties to clients. All supervised persons are required to acknowledge in writing receipt of the Code of Ethics and any material amendments thereto.
- Requiring compliance with federal securities laws, including (but not limited to) the Advisers Act, the Company Act and the rules thereunder, as well as applicable state securities and/or fiduciary laws (for example, California law where TW maintains its principal place of business). In addition, when managing accounts of employee benefit plans and individual retirement accounts, TW and all personnel are also required to comply with all applicable provisions of ERISA, the Internal Revenue Code of 1986 and the rules thereunder.

Personal Securities Trading and Reporting

From time to time, TW’s officers, employees or other associated persons may buy or sell securities for their own accounts which securities are also held in client accounts. Employee personal securities transactions may raise potential conflicts of interest when these persons trade at or around the same time as a client account, or in a manner inconsistent with TW’s then-current recommendations to a client. Personal securities transactions by employees may also raise potential conflicts of interest when TW is considering the related security for purchase or sale in client accounts.

To mitigate the associated risks, TW has adopted a Code of Ethics designed to reasonably detect and prevent such conflicts of interest and, when they do arise, to ensure that the employee effects the transactions in a manner that is consistent with our firm’s fiduciary duty to clients and in accordance with applicable law. To this end, employees are prohibited from using their position with TW or any investment opportunities that the employee learns of because of such position, to the detriment of our clients. Additionally, all access persons are required to obtain pre-approval from the Compliance Department prior to entering any personal trade. With limited exceptions, employees are prohibited from trading in a security on the same day that a client effects a transaction in the same securities. Employees are further prohibited from participating in initial public offers and/or secondary (follow-on) offerings. In addition, associated persons that are deemed “access person” (generally those with information about TW’s pending trades) submit a completed Pre-Clearance Request Form to the Compliance Department on the date of the proposed transaction, and may not place an order for the purchase or sale of the security until the Compliance Officer has approved the transaction in accordance with TW’s Code of Ethics.

The Compliance Department monitors all employee trading and conducts periodic testing of the procedures to ensure ongoing compliance. A copy of the Code of Ethics is available to all clients and prospective clients upon request.

Participation or Interest in Client Transactions

TW generally does not execute trades for client accounts through its affiliates, except for those accounts with respect to which the affiliate is the wrap program sponsor and/or where a client specifically directs brokerage to a TW affiliate.

The following conflicts of interest may apply in connection with TW's services to clients:

- (a) TW or its investment professionals, for themselves or for others, may take the same or conflicting positions in a security in which there has been an investment under TW's Strategies.
- (b) TW may invest in securities of issuers that one or more of TW's affiliates have sponsored or promoted. These affiliates may have purchased or otherwise acquired securities or other interests in such issuers on terms different from, and more favorable than, those available to TW's clients. TW's affiliates also may, for their own client accounts, take substantial positions in companies the securities of which TW may have purchased or later purchases on the open market for its client accounts. In such cases, the affiliate may indirectly benefit from TW's investment recommendations if (for example) the later purchase by TW of the securities for its client accounts causes the price of those securities to rise. Neither TW nor, generally, its affiliates share information relating to investments made for client accounts. To the extent that associated persons obtain information relating to investments by TW and/or an affiliate, such associated persons are prohibited from (i) passing such information to any other person who does not need to know the information in order to perform required duties, and (ii) using such information to benefit themselves or any other person (including clients).
- (c) Our affiliates' officers and/or employees may serve on the boards of companies in TW's portfolios. In addition, these affiliates may provide services to such portfolio companies. The portfolio companies may compensate the affiliates (or their officers and employees) for their services with options to purchase stock or other equity interests of the portfolio companies. If an affiliate owns options or other securities issued by portfolio companies, a conflict of interest may arise between the timing of any exercise or sale of these options, and TW's decisions about the same portfolio securities for its Strategies.
- (d) Affiliates of TW frequently have access to non-public information about publicly traded companies. When this occurs, TW may be prohibited from trading an existing position at a time that would be beneficial to TW's clients, resulting in investment losses or the failure to achieve investment gains. In other cases, TW may cause the purchase or sale of securities of an issuer at a time when an affiliate or its employees have material non-information about such securities or their issuers if the affiliates have not otherwise notified TW of their possession of such information. Our affiliates and their respective employees have no duty to make any such information available to TW, and TW has no duty to obtain such information.

Principal and Agency Cross Transactions

A principal transaction occurs when an investment adviser, acting for its own account (or the account of an affiliate) buys a security from, or sells a security to, a client's account. TW

generally does not engage in principal transactions with respect to client accounts. TW also does not permit the selling of a security from one client account and the purchasing of the same security in an unrelated client account (cross transaction) unless specifically requested by both the selling and purchasing client.

Side-by-Side Management of Multiple Accounts

A potential conflict may arise with respect to the side-by-side management of registered investment companies, proprietary accounts, and separately managed accounts for individuals and institutional investors, both with respect to allocation of time to specific client accounts as well as an incentive to favor certain accounts over others. For the time factors, client accounts generally are managed in accordance with the Strategy in which the client is enrolled. As a result, client accounts in the same strategy typically hold the same securities (subject to exceptions arising from the applicable restrictions that the client has imposed on the account). As a disincentive to favor particular clients, TW maintains a Trade Allocation Policy designed to ensure that all client accounts are treated fairly and equitably. The investment team performs periodic reviews to confirm that each account complies with the Strategy as well as the defined risk parameters for the account. In addition, the Compliance Department periodically reviews allocations and dispersion in client accounts for compliance with firm policies.

Brokerage Practices

Broker Analysis and Selection

Clients typically grant TW the authority to select the broker-dealer(s) that will execute securities transactions for client accounts. When selecting brokers, TW's primary objective is to obtain the best combination of price and execution in the market(s) involved.

TW maintains a list of "Approved Brokers" that it will use to effect client transactions, unless the client has specifically directed trades to a particular broker-dealer. In selecting brokers for inclusion Approved Broker List, TW evaluates the abilities of the broker-dealer to obtain "best execution" of portfolio transactions, which may include (but is not limited to):

- its execution capabilities the transactions require, as well as clearance and settlement capabilities;
- its ability and willingness to facilitate the accounts' portfolio transactions by committing capital to execute the trade;
- its financial stability, back-office efficiency and ability to handle difficult trades;
- its apparent familiarity with sources from or to whom particular securities might be purchased or sold;
- its reputation and perceived soundness of the broker/dealer or bank; and/or
- the importance to the account of speed, efficiency, and confidentiality.

Accordingly, transactions will not always be executed at the lowest available commission but are generally within a competitive range.

Best Execution

When selecting a particular Approved Broker(s) for a specific transaction, TW considers numerous factors, including (but not limited to) any applicable legal restrictions (such as those imposed under the securities laws and ERISA), as well as any client-imposed restrictions. Within these constraints, TW generally select the “best executing” broker (*i.e.*, one that can provide prompt and reliable execution at the most favorable price obtainable under the prevailing market conditions).

TW reviews brokerage placement and periodically reviews its brokerage policies and practices.

Order Aggregation.

In order to seek best execution, TW may aggregate client transactions for the same security into a single “bunched” order, then allocate the securities purchased to each participating client account on an average price basis. There may be instances where TW may not be able to purchase or sell all of the desired securities, in which case, accounts will participate in a pro-rata allocation. Additionally, there may be instances when a particular client’s account transaction is the opposite of one or more other client accounts. This can occur, for example, when a client has decided to withdraw a portion of the account at the same time that the applicable portfolio manager decides to increase the Strategy’s position in the same security.

When aggregating purchases or sales of same securities with the same broker, an account generally will be charged or credited, as the case may be, the average transaction price of all securities purchased or sold in such transactions. There may be times when the price may be less favorable than the price that would otherwise have been achieved if similar the client trade was not being executed concurrently for other accounts. In general, however, TW believes that aggregating orders results in lower transaction costs than trades effected for a single account.

TW has established an allocation policy aimed at ensuring that the securities purchased for client accounts are allocated on an equitable basis among all fund and other accounts that it manages.

New Issues

TW may, from time to time receive allocations of new securities issues that may be purchased for client accounts. In determining the allocation of these securities, TW allocates such new issues pro-rata for all eligible participating accounts.

Directed Brokerage

TW will use directed brokers and revenue sharing arrangements only pursuant to a client’s specific request. TW will confirm that any percentage allocated to directed brokers is in compliance with a client’s request.

Clients that direct brokerage transactions to a particular broker should be aware that TW may be unable to achieve most favorable execution of client transactions. For example, in a directed brokerage account, the client may pay higher brokerage commissions because TW may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices. As a result, directing brokerage may cost clients more money.

Brokerage for Client Referrals

When selecting a broker/dealer, TW does not consider nor receive client referrals.

Research and Other Soft Dollar Benefits

TW does not currently use soft dollars for any accounts.

Review of Accounts**Periodic Reviews**

Accounts generally are reviewed internally on a daily basis by the relevant portfolio manager(s), the Chief Operating Officer and/or a Compliance Officer. The applicable portfolio manager(s) and/or account representative may also hold periodic in-person and/or telephonic meetings with clients to review the performance of the account in light of the applicable client guidelines.

Guideline Setting (Review Triggers)

Account limits and guidelines are pre-set in the trading system by a Compliance Officer at the time an account is opened, based upon the Compliance Officer's review of the account's agreement and other applicable documentation.

Regular Reports

TW provides clients with monthly written reports containing account activity and portfolio valuations. In addition, certain clients receive specialized written weekly reports regarding their accounts.

Client Referrals and Other Compensation

TW has a marketing agreement in place with Endeavour Investment Partners LLC ("Endeavour"), a third party marketing organization. Pursuant to this arrangement, Endeavour has agreed to assist TW in identifying and/or soliciting potential clients on TW's behalf. Among other things, TW's agreement with Endeavor complies with the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended. Solicited clients receive appropriate disclosures of TW's relationship with Endeavor, including specific disclosure relating to the asset-based fee that TW pays to Endeavour for its services. From time to time, TW also may pay its employees or outside sales consultants a referral fee based on a percentage of a client's assets managed by TW or based on a percentage of management fees.

TW currently has not entered into any arrangement with a third party pursuant to which TW has agreed to solicit clients on behalf of such third party.

Custody

TW does not have custody of client assets. As the wrap program sponsor, Stifel Nicolaus, an affiliate of the firm, serves as custodian with respect to the wrap fee accounts managed by TW. Stifel Nicolaus also serves as custodian for proprietary accounts. As wrap sponsor and custodian, Stifel Nicolaus undergoes an annual surprise examination of its accounts that it holds, and also

obtains an internal control report from an independent public accounting firm that is registered and subject to regular inspection by the Public Company Accounting Oversight Board. TW receives a copy of the internal control report issued by such independent public accounting firm.

Investment Discretion

As set forth above, TW generally manages client assets on a discretionary basis. Clients grant such discretion to TW under the applicable management agreement signed in order to become a TW client.

Voting Client Securities

As investment manager, TW generally votes proxies with respect to the securities held in client accounts. However, each client has the option of retaining proxy voting authority for its account positions, in which case the client will receive proxies or other solicitations directly from the applicable custodians.

With respect to accounts for which our firm is responsible for voting proxies, TW has adopted proxy voting policies and procedures the (“Guidelines”) in an effort to ensure that votes are cast in the best interest of such clients, and that proper documentation is maintained relating to how proxies were voted. In general, the Guidelines can be summarized as follows:

- a) The Guidelines set forth, among other things, how we will vote in particular circumstances. We will only vote a proxy contrary to the Guidelines if we determine that such action better serves our client(s)’s interest in light of the applicable facts. Prior to making such determination, however, the officer assigned responsibility for voting proxies must obtain approval from Compliance. The Guidelines also permit us to delegate to a non-affiliated third party vendor the responsibility to review proxy proposals and make voting recommendations on our behalf.
- b) Conflicts of interest relating to proxy proposals will be handled in various ways depending on the type of conflict involved and the materiality of such conflict. Where the Guidelines outline TW’s voting position to be determined on a “case-by-case” basis for such proxy proposal, or if the proxy proposal is not listed in the Guidelines, we will vote in a manner that we believe promote the best interest of the applicable client(s).
- c) We may choose not to vote proxies in certain situations or for certain accounts, such as: (1) when a client has informed us that it wishes to retain the right to vote a specific proxy (in which case we will inform the custodian to send the proxy material directly to the client); (2) when we determine in good faith that the cost of voting would exceed any anticipated benefit to the client; (3) when a proxy is received for a client account that has been terminated with the firm; (4) when a proxy is received for a security we no longer hold in client accounts (i.e., previously sold the entire position), and/or; (5) when the exercise of voting rights could restrict the ability of an account’s portfolio manager to

freely trade the security in question. Additionally, w may be unable to vote proxies for any client account that participates in securities lending programs.

- d) Our Best Practices Committee generally is responsible for administering and overseeing the firm's proxy voting process, including the Guidelines. The firm's Chief Operating Officer is responsible for actually voting proxies in accordance with the adopted policies, and for responding to inquiries from clients.

Clients may request a copy of our proxy voting Guidelines, as well as information relating to the specific proxies that were voted with respect to their account, at any time, without charge.

Financial Information

Prepayment of Fees

TW does not require prepayment of fees by clients six months or more in advance and as such is not required to provide a balance sheet for the most recent fiscal year with this disclosure brochure.

Financial Condition

TW is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.