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|Update| - See our [previous note on this merger here](#)

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Subsequent to a sweetened offer, and multiple adjourned meetings, Towers Watson (“Towers”) shareholders approved its \$18 billion merger with Willis Group (“Willis”) at its December 11, 2015 meeting.

In a recent SEC filing, it is disclosed that 86.2% of Towers shareholders were represented at the December 11 meeting with approximately 72% of shareholders approving the merger resolution. Compared to the reported 40% support received in the previous meeting, the support demonstrated last Friday was a triumph, especially in light of negative recommendations from both major proxy advisory firms Institutional Shareholder Services Inc. and Glass, Lewis & Co., LLC.

Voter turnout also increased at the final meeting, up from the 83.7% represented at the November 20 meeting and the 84.4% represented at the November 18 meeting (comparing to the adjournment resolutions at these preceding meetings).

Dissident shareholder of Towers, Driehaus Capital Management (“Driehaus”), still voted AGAINST the merger but Driehaus representative Assistant Portfolio Manager Matthew Schoenfeld expressed that he “like[s] the combination from here and think[s] you’ll see appreciation and a more vigilant management team because of the spotlight they receive in the process”.

Based on voting data available currently, ValueAct Capital Management and the Canada Pension Plan Investment Board voted in favor of the deal while the Florida State Board of Administration, the California State Teachers’ Retirement System, and Calvert Investments voted AGAINST the merger.

The Willis-Towers case solidifies the fact that against the odds of proxy advisory firms and the backdrop of dissident critique, issuers can still pass difficult resolutions. A properly executed shareholder engagement and solicitation campaign can go a long way. In this case, it meant the difference between two separate entities going it alone, or a combined Willis-Towers going forward.

If you have any questions about this update, please feel free to contact Victor Li or Jackie Cheung directly to discuss.

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