

TAIWAN FUND INC
Form DEF 14A
March 22, 2019

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

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

The Taiwan Fund, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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- (1) Amount previously paid:

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

- (3) Filing Party:

(4) Date Filed:

THE TAIWAN FUND, INC.

c/o State Street Bank and Trust Company

P.O. Box 5049, One Lincoln Street,

Boston, Massachusetts 02111-5049

For questions about the Proxy Statement, please call (800) 967-7635

March 22, 2019

Dear Stockholder:

The Annual Meeting of Stockholders of The Taiwan Fund, Inc. (the Fund) will be held at 9:00 a.m., Eastern Time on Wednesday, April 24, 2019, at the offices of State Street Bank and Trust Company, One Lincoln Street, Boston, MA 02111. A Notice and Proxy Statement regarding the Meeting, proxy card for your vote, and postage prepaid envelope in which to return your proxy card are enclosed.

At the Meeting you, as a stockholder of the Fund, will be asked by the Board of Directors to vote on three proposals: (1) the election of five Directors; (2) the approval of a proposed Investment Advisory Agreement between the Fund and Allianz Global Investors U.S. LLC; and (3) if properly presented at the Meeting, the consideration of a stockholder proposal to terminate the current investment advisory and management agreement between the Fund and JF International Management Inc. or, in the alternative, have the Board submit a plan to liquidate or open-end the Fund within one year.

The Board of Directors recommends that you vote **FOR** Proposals 1 and 2 and **AGAINST** Proposal 3.

Respectfully,

Brian F. Link
Secretary

STOCKHOLDERS ARE STRONGLY URGED TO VOTE BY TELEPHONE, BY INTERNET OR BY SIGNING AND MAILING THE ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED FOR THAT PURPOSE TO ENSURE A QUORUM AT THE MEETING.

THE TAIWAN FUND, INC.

Notice of the Annual Meeting of Stockholders

April 24, 2019

To the Stockholders of The Taiwan Fund, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (the Meeting) of The Taiwan Fund, Inc. (the Fund) will be held at the offices of State Street Bank and Trust Company, One Lincoln Street, Boston, MA 02111, on April 24, 2019 at 9:00 a.m., local time, for the following purposes:

- (1) To elect five Directors to serve for the ensuing year;
 - (2) To approve a proposed Investment Advisory Agreement between the Fund and Allianz Global Investors U.S. LLC.;
 - (3) If properly presented at the Meeting, to consider a stockholder proposal to terminate the current investment advisory and management agreement between the Fund and JF International Management Inc. or, in the alternative, have the Board submit a plan to liquidate or open-end the Fund within one year; and
 - (4) To transact such other business as may properly come before the Meeting or any adjournments thereof.
- The Board of Directors has fixed the close of business on February 22, 2019 as the record date for the determination of stockholders entitled to notice of and to vote at the Meeting or any adjournments thereof.

You are cordially invited to attend the Meeting. Stockholders who do not expect to attend the Meeting in person are requested to vote by telephone, by Internet or by completing, dating and signing the enclosed form of proxy and returning it promptly in the envelope provided for that purpose. The enclosed proxy is being solicited by the Board of Directors of the Fund.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE MEETING ON APRIL 24, 2019: This Notice and the Proxy Statement are available on the Internet at <https://www.proxy-direct.com/twn-30495>.

By order of the Board of Directors

BRIAN F. LINK
Secretary

March 22, 2019

PROXY STATEMENT

THE TAIWAN FUND, INC.

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of The Taiwan Fund, Inc. (the Fund or Corporation) for use at the Annual Meeting of Stockholders (the Meeting), to be held at the offices of State Street Bank and Trust Company, One Lincoln Street, Boston, MA 02111, on Wednesday, April 24, 2019 at 9:00 a.m., local time, and at any adjournments thereof.

This Proxy Statement and the form of proxy card are being mailed to stockholders on or about March 22, 2019. Any stockholder giving a proxy has the power to revoke it by executing a superseding proxy by phone, Internet or mail following the process described on the proxy card or by submitting a notice of revocation to the Fund prior to the date of the Meeting or in person at the Meeting. All properly executed proxies received in time for the Meeting will be voted as specified in the proxy or, if no specification is made, FOR Proposals 1 and 2 and AGAINST Proposal 3. If your shares are held by a broker and you do not instruct your broker how you want your shares to be voted, your shares will be voted as specified by the broker on Proposal 1, and your shares will not be voted on Proposal 2 and Proposal 3, and that will have the same effect as a vote against Proposal 2 and Proposal 3.

The presence in person or by proxy of stockholders entitled to cast one third of the votes entitled to be cast thereat constitutes a quorum at all meetings of the stockholders. For purposes of determining the presence of a quorum for transacting business at the Meeting, executed proxies returned without marking a vote on Proposal 1, Proposal 2 or Proposal 3 will be treated as shares that are present for quorum purposes. Abstentions are included in the determination of the number of shares present at the Meeting for purposes of determining the presence of a quorum. **If a stockholder is present in person at the Meeting but does not cast a vote, the stockholder's shares will count towards a quorum but will have no effect on Proposal 1 and will have the effect of a vote to disapprove Proposal 2 and Proposal 3.** In the event a quorum is not present at the Meeting, or in the event that a quorum is present at the Meeting but sufficient votes to approve any of the proposed items are not received, holders of a majority of the stock present in person or by proxy have power to adjourn the meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the Meeting. The chairman of the Meeting also may adjourn the Meeting from time to time. Any adjournment may be made to a date not more than 120 days after the original record date without notice other than announcement at the Meeting. If a quorum is present, a stockholder vote may be taken on one or more of the Proposals in this Proxy Statement prior to any such adjournment if sufficient votes have been received for approval and it is otherwise appropriate. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the Meeting as

originally notified. The Fund may set a subsequent record date and give notice of it to stockholders, in which case the meeting may be held not more than 120 days beyond the subsequent record date.

The Board of Directors has fixed the close of business on February 22, 2019 as the record date for the determination of stockholders entitled to notice of and to vote at the Meeting and at any adjournments thereof. Stockholders on the record date will be entitled to one vote for each share held, with no shares having cumulative voting rights. As of the record date, the Fund had outstanding 7,932,401 shares of common stock.

Management of the Fund knows of no item of business other than those items mentioned in Proposals 1, 2 and Proposal 3 of the Notice of Meeting that will be eligible to be presented for consideration at the Meeting. If any other matter is properly presented, it is the intention of the persons named in the enclosed proxy to vote in accordance with their best judgment.

The Fund will furnish, without charge, a copy of its semi-annual report for the period ended February 28, 2018 or its annual report for the fiscal year ended August 31, 2018 to any stockholder requesting such report. Requests for the semi-annual or annual reports should be made in writing to The Taiwan Fund, Inc., c/o State Street Bank and Trust Company, P.O. Box 5049, One Lincoln Street, Boston, Massachusetts 02111, Attention: Brian F. Link, or by accessing the Fund's website at www.thetaiwanfund.com or by calling (877) 217-9502.

IMPORTANT INFORMATION

The Proxy Statement discusses important matters affecting the Fund. Please take the time to read the Proxy Statement, and then cast your vote. **You may obtain additional copies of the Notice of Meeting, Proxy Statement and form of proxy card by calling (800) 337-3503 or by accessing <https://www.proxy-direct.com/twn-30495>.**

There are multiple ways to vote. Choose the method that is most convenient for you. To vote by telephone or Internet, follow the instructions provided on the proxy card. To vote by mail, simply fill out the proxy card and return it in the enclosed postage-paid reply envelope. **Please do not return your proxy card if you vote by telephone or Internet.** To vote in person, attend the Meeting and cast your vote. The Meeting will be held at the offices of State Street Bank and Trust Company, One Lincoln Street, Boston, MA 02111.

PROPOSAL 1 ELECTION OF DIRECTORS

Persons named in the accompanying form of proxy intend in the absence of contrary instruction to vote all proxies for the election of the five nominees listed below as Directors of the Fund to serve for the next year, or until their successors are elected and qualified. Each of the nominees for Director has consented to be named in this Proxy Statement and to serve as a director of the Fund if elected. The Board of Directors of the Fund has no reason to believe that any of the nominees named below will become unavailable for election as a Director, but if that should occur before the Annual Meeting for the Fund, the persons named as proxies in the proxy cards will vote for such persons as the Board of Directors of the Fund may recommend. None of the Directors is an interested person of the Fund (as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the 1940 Act)) (each an Independent Director).

Information Concerning the Nominees

The following table sets forth certain information concerning each of the nominees as a director. Each nominee is currently serving as a director of the Fund.

Name (Age) and Address of Directors	Position(s) Held with Fund	Director Since	Principal Occupation(s) or Employment During Past Five Years	Number of Funds in the Complex⁽¹⁾ Overseen by the Director	Other Directorships/ Trusteeships in Publicly Held Companies
William C. Kirby (68) Harvard University CGIS South Building 1730 Cambridge Street Cambridge, MA 02138	Chairman of the Board and Director	2013	T. M. Chang Professor of China Studies (2006-present); Spangler Family Professor of Business Administration (2006-present); Chairman, Harvard China Fund (2006-present); Harvard University Distinguished Service Professor (2006-present); and Director, John K. Fairbank Center for Chinese Studies, Harvard University (2006-2014).	1	The China Fund, Inc. and Cabot Corporation.
Anthony S. Clark (66) 3307 N. Columbus St. Arlington, VA 22207	Director	2017	Managing Member, Innovation Capital Management, LLC (2016 to present); Chief Investment Officer of the Pennsylvania State Employees Retirement System (2010 to 2013); Deputy Chief Investment Officer of the Pension Benefit Guaranty Corporation (PBGC) (2009 to 2011).	1	Director, Aberdeen Japan Equity Fund, Inc.
Thomas G. Kamp (57) 5821 Southwood Drive Minneapolis, MN 55437	Director	2018	President, Chief Investment Officer and Director, Cornerstone Capital Management LLC (2006-2016).	1	None.

Name (Age) and Address of Directors	Position(s) Held with Fund	Director Since	Principal Occupation(s) or Employment During Past Five Years	Number of Funds in the Complex ⁽¹⁾ Overseen by the Director	Other Directorships/ Trusteeships in Publicly Held Companies
Warren J. Olsen (62) SCB Global Capital Management 300 S. Jackson Street Suite 220 Denver, CO 80209	Director	2018	Chairman and Chief Investment Officer, SCB Global Capital Management (2014-present); Vice Chairman and Chief Investment Officer, First Western Financial Inc. (2002-2014).	1	Aetos Capital Multi-Strategy Arbitrage Fund, LLC; Aetos Capital Distressed Investment Strategies Fund, LLC; Aetos Capital Long/Short Strategies Fund, LLC.
Shelley E. Rigger (56) Davidson College Box 7018 Davidson, NC 28035-7018	Director	2016	Brown Professor of East Asian Politics, Davidson College (1993-present).	1	None.

(1) The term "Fund Complex" means two or more registered investment companies that share the same investment adviser or principal underwriter or hold themselves out to investors as related companies for the purposes of investment and investor services.

Leadership Structure and Board of Directors

The Board has general oversight responsibility with respect to the business and affairs of the Fund. The Board is responsible for overseeing the operations of the Fund in accordance with the laws of Maryland, the provisions of the 1940 Act, other applicable laws and the Fund's Articles of Incorporation. The Board is currently composed of five Independent Directors and one of the Independent Directors serves as Chairman of the Board.

Generally, the Board acts by majority vote of all of the Directors, including a majority vote of the Independent Directors if required by applicable law. The Fund's day-to-day operations are currently managed by JF International Management Inc. (the "Adviser") and other service providers who have been approved by the Board. The Board meets periodically throughout the year to oversee the Fund's activities, review contractual arrangements with service providers, oversee compliance with regulatory requirements and review performance. The Board has determined that its leadership structure is appropriate given the size of the Board, the fact that all of the Directors are not interested persons, and the nature of the Fund.

The existing Directors were selected to serve and continue to serve on the Board, based upon their skills, experience, judgment, analytical ability, diligence, ability to work effectively with other Directors and a commitment to the interests of stockholders and a demonstrated willingness to take an independent and questioning view of management. Each existing Director also has considerable familiarity with the Fund and State Street Bank and Trust Company (the Administrator), and its operations, as well as the special regulatory requirements governing registered investment companies and the special responsibilities of investment company directors, all as a result of their prior service as a Director of the Fund and, in several cases, as directors of other investment companies. In addition to those qualifications, the following is a brief summary of the specific experience, qualifications or skills that led to the conclusion that as of the date of this proxy statement, each person identified below should serve as a Director for the Fund. References to the qualifications, attributes and skills of the Directors are pursuant to requirements of the Securities and Exchange Commission (SEC), and do not constitute a holding out by the Board or any Director as having any special expertise and should not be considered to impose any greater responsibility or liability on any such person or on the Board by reason thereof than the normal responsibility and liability of an investment company board member or board. As required by rules the SEC has adopted under the 1940 Act, the Fund's Independent Directors select and nominate all candidates for Independent Director positions.

William C. Kirby. Mr. Kirby has served as a Director of the Fund since 2013. He is T. M. Chang Professor of China Studies at Harvard University and Spangler Family Professor of Business Administration at Harvard Business School. Mr. Kirby is a historian of modern China, whose work examines China's business, economic and political development in an international context. He has served the academic community for over 30 years. Mr. Kirby joined Harvard University in 1992, where he currently serves various positions including Chairman of the Harvard China Fund. He has also served as the Director of the John K. Fairbank Center for Chinese Studies, Dean of the Faculty of Arts and Sciences, Chair of the Council on East Asian Studies and the Director of the National Resource Center for East Asia for Harvard University. Prior to joining Harvard University, Mr. Kirby served as the Dean of the University College, Director of Asian Studies and Director of International Affairs at Washington University. Mr. Kirby has published numerous books and articles related to Chinese business and history.

Anthony S. Clark. Mr. Clark has served as a Director of the Fund since 2017. He is Managing Member of Innovation Capital Management, LLC since 2016. Mr. Clark served as Chief Investment Officer of the Pennsylvania State Employees Retirement System from 2010 to 2013 and Deputy Chief Investment Officer of the Pension Benefit Guaranty Corporation (PBGC) from 2009 to 2011. Prior to PBGC, Mr. Clark served as Director of Global Equities in the Investment Department of the Howard Hughes Medical Institute (1995 to 2008). Mr. Clark also serves as Director on the board of Aberdeen Japan Equity Fund, Inc.

Thomas G. Kamp. Mr. Kamp has served as a Director of the Fund since 2018. He served as President, Chief Investment Officer and Director of Cornerstone Capital Management LLC from 2006 to 2016. Prior to that, Mr. Kamp was Senior Vice President, Portfolio Manager and manager of AllianceBernstein's and Alliance Capital's Minneapolis office.

Warren J. Olsen. Mr. Olsen has served as a Director of the Fund since 2018. He is Chairman and Chief Investment Officer at SCB Global Capital Management. Mr. Olsen served as Vice Chairman and Chief Investment Officer at First Western Financial Inc. between 2002 and 2014. He also served as President and CEO of IJB Whitehall Asset Management from 1999 to 2002 and President of Morgan Stanley Funds from 1988 to 1997. Mr. Olsen also serves on the boards of Aetos Capital Multi-Strategy Arbitrage Fund, LLC, Aetos Capital Distressed Investment Strategies Fund, LLC and Aetos Capital Long/Short Strategies Fund, LLC.

Shelley E. Rigger. Ms. Rigger has served as a Director of the Fund since 2016. She has been the Brown Professor of East Asian Studies at Davidson College since 1993. Ms. Rigger has been a visiting Associate Professor at Fudan University's School of International Relations and Public Administration in Shanghai. She has also been a visiting Research Scholar at National Chengchi University in Taiwan for the Institute for International Relations. Ms. Rigger graduated magna cum laude from Princeton University's Woodrow Wilson School of Public and International Affairs. She also holds a Ph.D. from Harvard University's Department of Government with fields of specialization in comparative politics, Chinese politics, American politics and government and political anthropology. Ms. Rigger has published several books and numerous articles related to Taiwanese and Chinese politics, history and business as well as relations among the United States, Taiwan and mainland China.

The Fund does not have a policy regarding Board members' attendance at the Annual Meeting of Stockholders. However, all of the Directors of the Board at that time attended the 2018 Annual Meeting of Stockholders.

The Board of Directors of the Fund held four regular meetings and two special meetings during the fiscal year ended August 31, 2018. For the fiscal year ended August 31, 2018, each Director attended at least seventy-five percent of the aggregate number of meetings held during the fiscal year of the Board and of any committee on which he or she served.

Audit Committee. The Fund's Board of Directors has a separately designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act), which is responsible for reviewing financial and accounting matters. The Fund's Audit Committee is composed of directors who are independent (as defined in the New York Stock Exchange, Inc. (NYSE) listing standards, as may be modified or supplemented) and not interested persons of the Fund (as defined in Section 2(a)(19) of the 1940 Act) and its actions are

governed by the Fund's Audit Committee Charter, which is posted on the Fund's website (www.thetaiwanfund.com). The current members of the Audit Committee are Messrs. Clark, Kamp, Kirby and Olsen and Ms. Rigger, with Mr. Kamp serving as Chairman. The Audit Committee convened four times during the fiscal year ended August 31, 2018. The Fund's Board of Directors has designated Mr. Kamp, an Independent Director, as an audit committee financial expert.

Nominating Committee. The Fund's Board of Directors has a Nominating Committee, which is responsible for recommending individuals to the Board for nomination as members of the Board and its Committees. The Fund's Nominating Committee is composed of directors who are independent as independence is defined in the NYSE's listing standards, as may be modified or supplemented, and are not interested persons of the Fund (as defined in Section 2(a)(19) of the 1940 Act) and its actions are governed by the Fund's Nominating Committee Charter, which is posted on the Fund's website (www.thetaiwanfund.com). Currently, the Nominating Committee does not solicit recommendations for nominees from stockholders. The Nominating Committee believes that it is not necessary to have such a policy because the Board has had no difficulty identifying qualified candidates to serve as Directors. The Nominating Committee evaluates a candidate's qualifications for Board membership and the candidate's independence from the Fund's advisers and other principal service providers. The Nominating Committee does not have specific minimum qualifications that must be met by candidates recommended by the Nominating Committee and there is not a specific process for identifying such candidates. In nominating candidates, the Nominating Committee takes into consideration such factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with businesses or other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members, requirements of the NYSE and the SEC to maintain a minimum number of independent or non-interested directors, requirements of the SEC as to disclosure regarding persons designated as having financial expertise on the Fund's audit committee and the extent to which the candidate generally would be a desirable addition to the Board and any committees of the Board. The Committee believes the Board generally benefits from diversity of background, experience and views among its members, and considers this a factor in evaluating the composition of the Board, but has not adopted any specific policy in this regard. The current members of the Nominating Committee are Messrs. Clark, Kamp, Kirby and Olsen and Ms. Rigger, with Ms. Rigger serving as Chair. The Nominating Committee convened three times during the fiscal year ended August 31, 2018.

Valuation Committee. The Fund's Board of Directors has a Valuation Committee which is responsible for establishing and monitoring policies and procedures reasonably designed to ensure that the Fund's assets are valued appropriately, objectively and timely, reflecting current market conditions. The current Directors who are members of the Valuation Committee are Messrs. Clark, Kamp, Kirby and Olsen and Ms. Rigger, with Mr. Clark serving as Chairman. The Valuation Committee met one time during the fiscal year ended August 31, 2018.

Share Repurchase Program Committee. The Fund's Board of Directors has a Share Repurchase Program Committee which is responsible for overseeing and evaluating the Fund's program to repurchase its shares on the market. The current members of the Share Repurchase Program Committee are Messrs. Clark, Kamp, Kirby and Olsen and Ms. Rigger, with Mr. Kirby serving as Chairman. The Share Repurchase Program Committee met four times during the fiscal year ended August 31, 2018.

Risk Oversight

The day-to-day operations of the Fund, including the management of risk, are performed by third party service providers, such as the Fund's Adviser and Administrator. The Directors are responsible for overseeing the Fund's service providers and thus have oversight responsibilities with respect to risk management performed by those service providers. Risk management seeks to identify and address risks, i.e., events or circumstances that could have material adverse effects on the business, operations, stockholder services, investment performance or reputation of the Fund. The Fund and its service providers employ a variety of processes, procedures and controls to identify certain of those possible events or circumstances, to lessen the probability of their occurrence and/or to mitigate the effects of such events or circumstances if they do occur.

Not all risks that may affect the Fund can be identified nor can controls be developed to eliminate or mitigate their occurrence or effects. It may not be practical or cost effective to eliminate or mitigate certain risks, the processes and controls employed to address certain risks may be limited in their effectiveness, and some risks are simply beyond the reasonable control of the Fund or the Adviser or other service providers. Moreover, it is necessary to bear certain risks (such as investment-related risks) to achieve the Fund's goals. As a result of the foregoing and other factors, the Fund's ability to manage risk is subject to substantial limitations.

Risk oversight forms part of the Board's general oversight of the Fund and is addressed as part of various Board and Committee activities. As part of its regular oversight of the Fund, the Board, directly or through a Committee, interacts with and reviews reports from, among others the Fund's Adviser, the Fund's Administrator, the Fund's chief compliance officer and its independent registered public accounting firm, as appropriate, regarding risks faced by the Fund. The Board is responsible for overseeing the nature, extent and quality of the services provided to the Fund by the Adviser and receives information about those services at its regular meetings. In addition, on an annual basis, in connection with its consideration of whether to renew the Advisory Agreement, the Board meets with the Adviser to review the services provided. Among other things, the Board regularly considers the Adviser's adherence to the Fund's investment restrictions and compliance with various Fund policies and procedures and with applicable securities regulations. The Board has appointed a chief compliance officer who oversees the implementation and testing of the Fund's

compliance program and reports to the Board regarding compliance matters for the Fund and its service providers. The Board, with the assistance of the Adviser, reviews investment policies and risks in connection with its review of the Fund's performance. In addition, as part of the Board's oversight of the Fund's advisory and other service provider agreements, the Board may periodically consider risk management aspects of their operations and the functions for which they are responsible.

Stockholder Communications

Stockholders may send communications to the Fund's Board of Directors by addressing the communication directly to the Board (or individual Board members) and/or clearly indicating that the communication is for the Board (or individual Board members). The communication may be sent to either the Fund's office or directly to such Board member(s) at the address specified for each Director above. Other stockholder communications received by the Fund not directly addressed and sent to the Board will be reviewed and generally responded to by management, and will be forwarded to the Board only at management's discretion based on the matters contained therein.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the 1934 Act requires the Fund's officers and Directors, and beneficial owners of more than ten percent of a registered class of the Fund's equity securities, to file reports of ownership and changes in ownership with the SEC and the New York Stock Exchange, Inc. Section 30(h) of the 1940 Act extends the reporting requirements under Section 16(a) of the 1934 Act to the Fund's Adviser and the officers and directors of such Adviser. The Fund believes that its officers and Directors and the officers of the Adviser have complied with all applicable filing requirements for the fiscal year ended August 31, 2018.

Officers of the Fund

The following table provides information concerning each of the officers of the Fund.

Name, Address, and Age	Position(s) Held with		Principal Occupation(s) or Employment During Past Five Years
	the Fund	Since	
Simon J. Crinage (53) J.P. Morgan Asset Management 60 Victoria Embankment London, EC4Y 0JP	President	2014	Managing Director, J.P. Morgan Asset Management.
Monique Labbe (45) Foreside Fund Officer Services, LLC 10 High Street, Suite 302 Boston, MA 02110	Treasurer	2017	Senior Director, Foreside Fund Officer Services, LLC (2014-present); Principal/Assistant Vice President, State Street Global Advisers (2012-2014).

Name, Address, and Age	Position(s)	Since	Principal Occupation(s) or Employment
	Held with		
Brian F. Link (46)	Secretary	2014	Vice President and Managing Counsel, State Street Bank and Trust Company (2007-present).
State Street Bank and Trust Company			
100 Summer Street			
SUM0703			
Boston, MA 02110			
Patrick Keniston (55)	Chief Compliance Officer	2015	Managing Director of Foreside Fund Officer Services LLC, (October 2008-present).
Foreside Fund Officer Services, LLC			
Three Canal Plaza, Suite 100			
Portland, ME 04101			

Ownership of Securities

The following table sets forth information regarding the ownership of securities in the Fund by the nominees for Director. Each nominee is also currently a Director of the Fund.

Name of Director	Dollar Range of Equity Securities in the Fund	Aggregate Dollar Range of Equity Securities in All Funds
		Overseen or to be Overseen by Director in the Fund Complex ⁽¹⁾
Anthony S. Clark	None	None
Thomas G. Kamp	\$10,001-\$50,000	\$10,001-\$50,000
William C. Kirby	\$10,001-\$50,000	\$10,001-\$50,000
Warren J. Olsen	None	None
Shelley E. Rigger	None	None

(1) The term "Fund Complex" means two or more registered investment companies that share the same investment adviser or principal underwriter and hold themselves out to investors as related companies for the purposes of investment and investor services. The Fund is the only investment company in the Fund Complex. No Director or any immediate family member of a Director, owned securities in the Fund's Adviser, or a person directly or indirectly controlling, controlled by, or under common control with the Adviser.

Transactions with and Remuneration of Officers and Directors

The aggregate remuneration, including expenses relating to attendance at board meetings reimbursed by the Fund, paid in cash to Directors not affiliated with the Adviser, was \$424,275 during the fiscal year ended August 31, 2018.

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For the fiscal year ended August 31, 2018 and through February 28 of the current fiscal year, the Fund paid each Director that is not affiliated with the Fund's Adviser an annual fee of \$20,000 plus \$2,500 for each Board meeting and committee meeting attended and the Chairman an additional \$10,000 a year for his service as Chairman of the Board.

Effective March 1, 2019, the fee paid to each Director for attendance at Board and committee meetings was reduced to \$2,000, while the other fees paid to Directors remained the same. This fee reduction was one of the steps the Board has taken to achieve approximately a 20% reduction in Board fees and expenses. In this connection, the Board is anticipating a reduction, as compared to the last several fiscal years, in the total number of Board and Committee meetings for the remainder of the current fiscal year and future fiscal years. The reduction in meeting fees, when coupled with the expected reduction in the number of meetings, is expected to result in over a 20% reduction in the fees received by each Board member in future fiscal years as compared to the current, and last several, fiscal years.

The following table sets forth the aggregate compensation from the Fund paid to each director during the fiscal year ended August 31, 2018, as well as the total compensation earned by each director from the Fund Complex.

Name of Director	Aggregate Compensation From Fund ⁽³⁾	Pension or Retirement Benefits		Total Compensation From Fund and Fund Complex Paid To Directors ⁽⁴⁾
		Accrued As Part of Fund Expenses	Estimated Annual Benefits Upon Retirement	
Anthony S. Clark	\$ 65,000			\$ 65,000
Thomas G. Kamp ⁽¹⁾	\$ 24,946			\$ 24,946
William C. Kirby	\$ 75,000			\$ 75,000
Anthony Kai Yiu Lo ⁽²⁾	\$ 58,865			\$ 58,865
Warren J. Olsen ⁽¹⁾	\$ 24,946			\$ 24,946
Shelley E. Rigger	\$ 65,000			\$ 65,000

(1) Messrs. Kamp and Olsen were elected to the Board on April 17, 2018.

(2) Mr. Lo resigned from the Board on April 17, 2018.

(3) Includes compensation paid to Directors by the Fund. The Fund's Directors did not receive any pension or retirement benefits as compensation for their service as Directors of the Fund.

(4) There is one fund in the Fund Complex overseen by the Directors.

Required Vote

Election of the listed nominees for Director requires the affirmative vote of the holders of a majority of the shares of common stock of the Fund cast at the Meeting. Pursuant to the Fund's By-Laws, any Director who is nominated for re-election at the Meeting and is not re-elected at the Meeting will be deemed to have tendered to the Board of Directors his or her resignation as a Director, with such resignation to take effect 30 days after the date of the Meeting unless the Board of Directors unanimously decides to reject that Director's tender of resignation, in which case the Director will continue in office until his or her death, resignation or removal or until his or her successor has been elected and has been qualified.

THE BOARD OF DIRECTORS OF THE FUND RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF THE FIVE NOMINEES FOR DIRECTOR NAMED IN THIS PROXY STATEMENT.

PROPOSAL 2 APPROVAL OF PROPOSED INVESTMENT ADVISORY AGREEMENT

On January 14, 2019, the Board of Directors, all of whom are Independent Directors, voted to approve and recommend to stockholders the approval of the proposed Investment Advisory Agreement between the Fund and Allianz Global Investors U.S. LLC (Allianz) (the Proposed Agreement). If approved by stockholders, the Proposed Agreement will replace the Investment Advisory and Management Agreement dated, September 23, 2014, between the Fund and JF International Management Inc. (JFIMI) (the Current Agreement).

The Proposed Agreement provides for Allianz to provide substantially the same investment advisory and management services as provided under the Current Agreement. Allianz's duties under the Proposed Agreement include making investment decisions, supervising the acquisition and disposition of investments and supervising the selection of brokers or dealers to execute these transactions in accordance with the Fund's investment objective and policies and within the guidelines and directions established by the Board.

Under the Proposed Agreement, and similar to the terms of the Current Agreement, Allianz may engage employees of an affiliated non-SEC registered entity through a participating affiliate arrangement to assist Allianz in providing services to the Fund, provided that Allianz supervises the services provided by those employees and such engagement will not relieve Allianz of its obligations under the Proposed Agreement.

Under the Proposed Agreement, Allianz will bear all expenses arising out of its duties under the Proposed Agreement but will not be responsible for any expenses of the Fund other than those specifically allocated to Allianz in the Proposed Agreement. In particular, the Fund bears expenses for legal fees and expenses of counsel to the Fund; fees for directors and officers other than those employed by Allianz; auditing and accounting expenses; taxes and governmental fees; New York Stock Exchange listing fees; dues and expenses incurred in connection with membership in investment company organizations; fees and expenses of the Fund's custodian, sub-custodian, transfer agents and registrars; fees and expenses with respect to administration (except as may be expressly provided otherwise); expenses for portfolio pricing services by a pricing agent, if any; expenses of preparing share certificates and other expenses in connection with the issuance, offering and underwriting of shares issued by the Fund; expenses relating to investor and public relations; expenses of registering or qualifying securities of the Fund for public sale; freight, insurance and other charges in connection with the shipment of the Fund's portfolio securities; brokerage commissions or other costs of acquiring or disposing of any portfolio holding of the Fund; expenses of preparation and distribution of reports, notices and dividends to stockholders; expenses of the Fund's dividend reinvestment and cash purchase plan; costs of stationery; any litigation expenses; and costs of stockholders and other

meetings. Under the Proposed Agreement, as is the case under the Current Agreement, Allianz will pay the salaries and expenses of such of the Fund's officers and directors who are directors, officers or employees of Allianz, *provided, however*, that the Fund, and not Allianz, will bear travel expenses or an appropriate fraction thereof of directors and officers of the Fund who are directors, officers or employees of Allianz to the extent that such expenses relate to attendance at meetings of the Board or any committee thereof, and *provided, further*, that such expenses are incurred in accordance with the Fund's travel policy.

Under the Proposed Agreement, neither Allianz nor its affiliates, directors, employees, or agents will be subject to any liability for any act or omission, error of judgment or mistake of law, or for any loss suffered by the Fund in the course of, connected with or arising out of any services to be rendered thereunder, except by reason of the Adviser's willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of the Adviser's reckless disregard of its obligations and duties under the Proposed Agreement.

The Proposed Agreement may be terminated at any time, without payment of penalty, by Allianz, or by the Fund acting pursuant to a vote of the Board of Directors or by a vote of a majority of the Fund's outstanding securities (as defined in the 1940 Act) upon sixty days' written notice, and will terminate automatically in the event of its assignment (as defined in the 1940 Act) by Allianz.

If approved by stockholders, the Proposed Agreement would remain in effect for an initial period of two years from the date it becomes effective. Thereafter, the Proposed Agreement would continue in effect from year to year if its continuance is specifically approved at least annually by (i) a vote of a majority of the Independent Directors, cast in person at a meeting called for the purpose of voting on such approval, and (ii) either a vote of a majority of the Board of Directors as a whole or a majority of the Fund's outstanding shares of common stock as defined in the 1940 Act.

Fee Provisions

Prior to September 1, 2018 under the terms of the Current Agreement, JFIMI was entitled to receive fees for its services, computed daily and payable monthly in US dollars, at the rate of 0.90% per annum of the value of the Fund's average daily net assets up to and including \$150 million of net assets; 0.80% per annum of the value of the Fund's average daily net assets on the next \$150 million of net assets; and 0.70% per annum of the value of the Fund's average daily net assets in excess thereof. Effective September 1, 2018, JFIMI is entitled to receive fees for its services, computed daily and payable monthly in US dollars, at the rate of 0.75% per annum of the value of the Fund's average daily net assets.

Under the terms of the Proposed Agreement, Allianz would be entitled to receive a base fee for its services, computed daily and payable monthly in US dollars, at the

rate of 0.70% per annum of the value of the Fund's average daily net assets (base fee). Commencing September 1, 2019, the base fee will be subject to a performance adjustment that will add or subtract from the base fee 0.05% for each percentage point by which the total return of the Fund exceeds, or is exceeded by, the return of the TAIEX Total Return Index during each fiscal year of the Fund (September 1 to August 31), with a maximum adjustment of +/- 0.25%. Thus, depending on how the Fund performs, the management fee after factoring in the performance adjustment could range from 0.45% to 0.95%.

The Fund's total net assets as of January 31, 2019 were \$193,808,568.

For the fiscal year ended August 31, 2018, the aggregate amount of advisory fees paid by the Fund was \$1,700,469. Had the Proposed Agreement been in place for the fiscal year ended August 31, 2018, the advisory fees paid by the Fund (not including any performance adjustment) would have been \$1,453,564.

Approval Process and the Factors Considered by the Board of Directors in Approving the Proposed Agreements

Deeply concerned about the continued under-performance of the Fund relative to its benchmark index, beginning in October 2018, the Board held a series of special meetings to consider whether a search for an investment manager for the Fund was appropriate. Following these meetings, the Board concluded that it would conduct a manager search. The Board retained a consultant to assist it in conducting its investment manager search. The consultant initially identified 26 firms that potentially had the ability and willingness to manage the Fund. Based on the responses to screening questions sent to those firms, the consultant sent requests for information to nine of the firms, seven of which responded. The consultant then provided the Board with a summary and evaluation of those responses and with its recommendation for a short list of candidates to be requested to respond to a request for proposal (RFP) from the Fund and to make presentations to the Board. After reviewing the consultant's report, the Board identified three investment adviser candidates for the short list.

Based on an evaluation of the responses to the RFPs, the consultant prepared a final report to the Board, which the Board reviewed along with the responses. At the Board meeting on January 14, 2019, the consultant presented the final report and responded to questions from the Board. Two of the short list candidates made presentations (one decided not to make a presentation). JFIMI also made a presentation at that Board Meeting.

Following the presentations a discussion ensued. The Board discussed the relative merits of each candidate and determined that no further information would be necessary from the candidates. After further discussion, the Board voted to approve and recommend to stockholders the approval of the Proposed Agreement substantially in the same form as the Fund's Current Agreement.

In making this selection the Board noted that Allianz has a long and significant history of investing in the Asia-Pacific region. It noted in particular Allianz's commitment to Taiwan and its 30 investment professionals working there. The Board considered the investment experience and expertise of Ms. Corinna Xiao, a senior portfolio manager employed by Allianz's affiliate in Taiwan who will be the portfolio manager of the Fund. The Board noted that it was impressed with Ms. Xiao's presentation and her responses to its questioning. The Board further noted her strong record of delivering outperformance and an article on Bloomberg.com that identified Ms. Xiao as the top performing Taiwanese fund manager for 2018.

The Board further noted Allianz's investment process and philosophy centered on bottom-up investing and active management. The Board discussed Allianz's focus on intensive company visits and consistent flow of new investment ideas arrived at particularly through its grassroots research approach. The Board noted that this approach includes gathering market research from more than 60 independent journalists and more than 300 field force investors that interview sources around the world.

The Board also considered Allianz's adherence to its sell discipline. The Board noted how this approach factors into Allianz's risk management. The Board also considered Allianz's portfolio construction parameters. The Board noted that Allianz prefers a more concentrated portfolio focused on high conviction ideas, which Allianz believes should lead to targeted average annual outperformance between three and seven percent over a full market cycle.

The Board also considered the terms and conditions of the Proposed Agreement. The Board noted that the Current Agreement has a fixed advisory fee of 0.75% per annum of the value of the Fund's average daily net assets for all assets. After reviewing Allianz's initial proposals, including one for advisory services only and one for advisory and administrative services, the Board requested that Allianz consider submitting a new fee proposal, including possibly a proposal with a performance adjustment. After discussion of several alternative fee proposals submitted by Allianz, Allianz and the Board agreed to a proposal for advisory services only that included a base annual fee of 0.70% of average daily net assets with a performance adjustment.

At the current and anticipated asset levels of the Fund, and without consideration of the Fund's performance adjustment against the TAIEX, the advisory fee rate under the Proposed Agreement is lower than the recently lowered rate under the Current Agreement and considerably below the rate in effect before the rate reduction.

The Board also based its decision on the following considerations, among others, although the Board did not identify any consideration that was all important or controlling, and each Director may have attributed different weights to the various factors.

Nature, Extent and Quality of the Services provided by the Investment Adviser. The Board reviewed and considered the nature and extent of the investment management services to be provided by Allianz under the Proposed Agreement. The Board noted the following:

Allianz has had a 30-year presence in the Asia-Pacific region. Allianz has 109 investment professionals spread across its four offices in the region, including 30 people in its Taipei, Taiwan office. The Board noted that among global asset management firms in Taiwan, Allianz has the largest asset team. This investment team has been continuously managing third party institutional Taiwan equity mandates since 2012.

The Board considered Allianz's compliance program and compliance capabilities as well as the portfolio manager's previous experience and concluded that Allianz has a compliance program that appeared to be reasonably designed to prevent violations of the Federal securities laws.

The Board determined that Allianz appeared to be capable of providing the Fund with investment management services of above average quality.

Performance, Fees and Expenses of the Fund. The Board noted that, at the time of Allianz's selection by the Board, Allianz had not been providing services to the Fund; therefore, there were limitations on the Board's ability to evaluate the performance of Allianz in managing the Fund. Based however on Allianz's performance in managing a Taiwan-domiciled mutual fund, which has an investment strategy similar to the one proposed for the Fund, the Board concluded that there was reason to believe that Allianz could achieve above average performance over the long term in managing the Fund. The Board noted that the Taiwan-domiciled mutual fund ranked at the top of its Lipper peer group over the one-, three-, five and 10-year periods ended September 30, 2018. The Board further noted that other expenses of the Fund were not expected to increase as a result of the retention of Allianz.

As to fees, the Board noted that the base fee under the Proposed Agreement is lower than the rate the Fund is paying under the Current Agreement. It also noted that the performance adjustment component of the fee under the Proposed Agreement helps align the interests of Allianz as the Fund's investment adviser with the interests of the Fund and its stockholders.

Economies of Scale. The Board considered the potential benefits from economies of scale that the Fund's stockholders could be afforded. The Board noted that, while the management fee rate under the Proposed Agreement does not decline as the Fund's assets grow, fixed operating costs are spread over a larger asset base, resulting in a lower per share allocation of such costs.

Other Benefits of the Relationship. The Board considered whether there were other benefits that Allianz and its affiliates may derive from its relationship with the Fund and concluded that any such benefits were likely to be minimal.

Resources of the Proposed Investment Adviser. The Board considered whether Allianz is financially sound and has the resources necessary to perform its obligations under the Proposed Agreement. The Board noted that Allianz appears to have sufficient financial resources necessary to fulfill its obligations under the Proposed Agreement.

General Conclusions. After considering and weighing all of the above factors, the Board concluded that it would be in the best interest of the Fund and its stockholders to approve the Proposed Agreement. In reaching this conclusion, the Board did not give particular weight to any single factor referenced above.

Information About the Proposed Adviser

Allianz, the proposed adviser, is a U.S.-based firm registered as an investment adviser with the Securities and Exchange Commission. Allianz is part of the Allianz Global Investors group of entities, which are wholly-owned subsidiaries of Allianz SE, one of the world's largest financial services providers and a publicly-traded company. Allianz SE's principal offices are located at Königinstrasse 28, 80802 Munich, Germany. As of December 31, 2018, the total assets under management of the Allianz Global Investors group of entities amounted to \$577.4 billion, including \$5.516 billion invested in Taiwan mandates. Allianz's principal offices are located at 1633 Broadway, New York, NY 10019.

Principal Executive Officer and Members of Allianz

The following table sets forth certain information concerning the principal executive officer and sole member of Allianz.

Name/Address	Position Held	Since	Principal Occupation or Employment
Allianz Global Investors U.S. Holdings LLC	Member	2011	Not Applicable.

The following table sets forth certain information concerning the individual who is anticipated to serve as portfolio manager for the Fund:

Position Held with			
Name/Address	Proposed Adviser	Since	Principal Occupation or Employment
Corrina Xiao	Portfolio Manager	2007	Senior Portfolio Manager, Allianz Global Investors Taiwan, Limited

Required Vote

The 1940 Act requires that an investment advisory contract between an investment company and an investment adviser be in writing, that such contract specify, among other things, the compensation payable to the adviser pursuant thereto

and that such contract be approved by the holders of a majority of the investment company's outstanding shares of common stock as defined in the 1940 Act. As defined in the 1940 Act, a majority of the outstanding shares means the lesser of 67% of the voting securities present at the Annual Meeting of Stockholders, if more than 50% of the outstanding shares are present, or more than 50% of the outstanding securities. For this purpose, both abstentions and broker non-votes will have the effect of a vote to disapprove the Proposed Agreement. If this proposal is not approved by stockholders, the Fund will continue under the Current Agreement while the Board of Directors considers other steps.

The Proposed Agreement is attached as Appendix A.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE PROPOSAL TO APPROVE THE PROPOSED AGREEMENT BETWEEN THE FUND AND ALLIANZ

PROPOSAL 3 CONSIDER A STOCKHOLDER PROPOSAL TO TERMINATE THE CURRENT INVESTMENT ADVISORY AND MANAGEMENT AGREEMENT BETWEEN THE FUND AND JF INTERNATIONAL MANAGEMENT, INC. OR, IN THE ALTERNATIVE, HAVE THE BOARD SUBMIT A PLAN TO LIQUIDATE OR OPEN-END THE FUND WITHIN ONE YEAR

On November 5, 2018, the Secretary of the Fund received a stockholder proposal from Matisse Capital (Matisse) to terminate the current investment advisory and management agreement between the Fund and JFIMI or, in the alternative, have the Board submit a plan to liquidate or open-end the Fund within one year (the Matisse Proposal). The Matisse Proposal was provided in accordance with Rule 14a-8 under the Exchange Act of 1934, as amended. Matisse is the investment adviser to the Matisse Discount Closed End Fund, an open-end mutual fund that owns shares of the Fund.¹

The text provided by Matisse for inclusion in this Proxy Statement is as follows:

RESOLVED: All investment advisory and management agreements between The Taiwan Fund, Inc. and JF International Management Inc. shall be terminated by the Fund, pursuant to the right of stockholders as embodied in Section 15(a)(3) of the Investment Company Act of 1940 and as required to be included in such agreements, at the earliest date the Fund is legally permitted to do so. If, however, the Board proposes, and shareholders approve, at this meeting, a plan to liquidate or open-end the Fund within one year, then the investment advisory and management agreements between The Taiwan Fund, Inc. and JF International

¹ Additional information regarding Matisse's status as a stockholder, including the number of shares it owns, is available from the Fund upon oral or written request.

Management Inc. shall remain in effect as long as necessary to implement these actions.

Supporting Statement of Matisse

Despite certain actions taken by the Board, TWN continues to trade at a large discount to its NAV. Over the past three years, this discount has averaged 12%, and has recently been even wider. The Fund's small share repurchases have not been effective at closing the discount gap. In addition, the investment manager's performance has been poor relative to the TAIEX Total Return benchmark. For example, according to the Fund's most recent report, for the 5 year period ending 8/31/18, measured in US dollars, total returns are as follows:

TAIEX Total Return Index:	+62%
TWN at NAV	+44%
TWN at market price	+38%

In our view, long-suffering shareholders deserve the opportunity to receive full value for their shares today. TWN's small size leads to unnecessarily high expenses and means that attempts to narrow the discount using other means than liquidation or open-ending are likely not in the best interest of shareholders.

In addition to voting for our proposal, we also hope that all TWN shareholders will join us in asking management for, and voting in favor of, a proposal to liquidate or open-end the Fund. Liquidation is a viabl