



## Nationwide Mutual Funds: Subadviser Changes

*[Effective November 13, 2017]*

On November 13, 2017, Nationwide will implement subadviser changes affecting eight mutual funds.

### What is happening?

We're excited to announce new subadvisers for eight Nationwide Funds. These subadvisers bring compelling investment processes and expertise that help to fulfill shareholder expectations. HighMark Capital Management, Inc., former subadviser to these Funds, is exiting the subadvisory business, effective on or about November 17, 2017.

Fund	New Subadviser	New Fund Name (if applicable)
Nationwide Fund	Wellington Management Company LLP	
NVIT Nationwide Fund	AQR Capital Management, LLC	
Nationwide HighMark Large Cap Core Equity Fund	Diamond Hill Capital Management, Inc.	Nationwide Large Cap Equity Fund
Nationwide HighMark Small Cap Core Fund	WCM Investment Management	Nationwide WCM Focused Small Cap Fund
Nationwide HighMark Bond Fund	Loomis, Sayles & Company, L.P.	Nationwide Loomis Bond Fund
Nationwide HighMark Short Term Bond Fund	Loomis, Sayles & Company, L.P.	Nationwide Loomis Short Term Bond Fund
Nationwide HighMark National Intermediate Tax Free Bond Fund	Massachusetts Financial Services Company	Nationwide National Intermediate Tax Free Bond Fund
Nationwide HighMark California Intermediate Tax Free Bond Fund	Massachusetts Financial Services Company	Nationwide California Intermediate Tax Free Bond Fund

### More about each new subadviser:

#### **Wellington Management Company LLP**

Wellington Management Company is a global asset management firm based in Boston, Massachusetts, with assets under management in excess of \$1 trillion as of June 30, 2017. Founded in 1928, the company has developed into an institutionally focused investment manager, serving clients that include but are not limited to mutual funds, variable insurance sponsors, company and public pension funds, and government entities. At the core of Wellington's philosophy is its robust team of Global Industry Analysts who serve as a source of expertise and insights across the investment platform.

#### **AQR Capital Management, Inc.**

AQR (Applied Quantitative Research) was founded in 1998 by Clifford S. Asness, Ph.D.; David G. Kabiller, CFA; Robert J. Krail; and John M. Liew, Ph.D. AQR's story begins at the University of Chicago's Ph.D. program, where Asness, Liew and Krail met, and the foundation of AQR's investment philosophy was established. While the first AQR product was a hedge fund, the goal was always to expand into traditional portfolio management, which was accomplished in 2000. In 2009, AQR became one of the first investment managers to offer alternative strategies in a mutual fund format. Today, AQR is a global investment management firm that has held to its original focus of rigorous research and the development of innovative, practical investment strategies.

#### **Diamond Hill Capital Management, Inc.**

Diamond Hill is a boutique asset management firm based in Columbus, Ohio, with assets under management of approximately \$21 billion as of September 30, 2017. Founded in 2000, the firm has grown to over 100 employees, including 47 investment team professionals. In addition to separate accounts, the firm manages 13 mutual funds, including the Nationwide Large Cap Equity Fund, across several asset classes. Chuck Bath, the portfolio manager for the Nationwide Large Cap Equity Fund, has been at the firm since 2002 and is a lead portfolio manager for the Diamond Hill Large Cap Strategy as well as the Large Cap Concentrated Strategy, and assistant portfolio manager for the Long-Short Strategy.

#### **WCM Investment Management**

WCM is an independent asset management firm based in Laguna Beach, California with assets under management of approximately \$23 billion as of September 30, 2017. In 2016, the portfolio management team of WCM Focused Small Cap joined the firm from Opus Capital Management, a Cincinnati based investment firm, where Jonathon Detter served as a portfolio manager on three small cap portfolios and Anthony Glickhouse and Patrick McGee served as portfolio managers and analysts. Since joining WCM, the team has continued to manage the small cap strategy as well as a micro-cap strategy from a satellite Cincinnati office.

#### **Loomis, Sayles & Company, L.P.**

Loomis Sayles was founded in 1926 by Robert H. Loomis and Ralph T. Sayles, who formed a partnership and established Loomis Sayles as an investment management company in Boston, Massachusetts. It has since been acquired by Natixis Global Asset Management. As

of June 2017, Loomis had roughly \$258 billion assets under management. The firm delivers a wide array of traditional and alternative investments tailored to the needs of institutional investors and retail investors. Loomis has institutional clients in 20 countries across six continents.

### Massachusetts Financial Services Company

MFS has a history of money management dating back to 1924, when it created the first open-end U.S. mutual fund, Massachusetts Investors Trust (MIT). MFS began managing its first tax-exempt account in 1970 and subsequently formed a separate subsidiary, MFS Institutional Advisors, Inc., which registered as an investment advisor under the Advisers Act in 1994. Since 1982, MFS is a majority-owned subsidiary of Sun Life of Canada (U.S.) Financial Services Holdings, Inc.

### Are there any benchmark index changes as a result of the subadvisory changes above?

NFA is changing the benchmark index with respect to the following fund:

**Nationwide Large Cap Equity Fund (formerly Nationwide HighMark Large Cap Core Equity Fund)** – The Fund’s benchmark was the Russell 1000<sup>®</sup> Index. NFA is changing the benchmark to the Russell 1000<sup>®</sup> Value Index to reflect the value-oriented approach of the subadviser.

### Are there any impacts to Fund fees as a result of the changes?

Fund Name	Expense Changes
Nationwide Fund	Expense reduction of effective 4.7 bps
NVIT Nationwide Fund	No Change
Nationwide Large Cap Equity Fund	No Change
Nationwide WCM Focused Small Cap Fund	Expense reduction of effective 2.5 bps*
Nationwide Loomis Bond Fund	No Change
Nationwide Loomis Short Term Bond Fund	No Change
Nationwide National Intermediate Tax Free Bond Fund	No Change
Nationwide California Intermediate Tax Free Bond Fund	No Change

\*Fee waiver agreement in place until 5/01/2019

### What if I have more questions?

For questions on these changes or to learn more, please call 877-877-5083.

### Important Disclosures

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition, or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

**Call 800-848-0920 to request a summary prospectus and/or a prospectus, or download prospectuses at [nationwide.com/mutualfunds](http://nationwide.com/mutualfunds). These prospectuses outline investment objectives, risks, fees, charges and expenses, and other information that you should read and consider carefully before investing.**

Investing in mutual funds involves risk, including the possible loss of principal. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. There is no assurance that the investment objective of any fund will be achieved.

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