

Omnis Funds - Reorganisation Summary

On 29th September 2018, Omnis will implement a reorganisation of a small number of its funds in which you are invested. This reorganisation will be done through what is known as a Scheme of Arrangement (SoA). As a result, Omnis will close four of its existing funds, splitting the assets between one existing and six new funds. The target Omnis funds, asset split and costings are noted for your information below:



Existing Omnis Fund	Target Omnis Funds and Asset Splits	Existing Fund OCF	Estimated Blended OCF after SoA
Omnis Developed Markets (ex-UK, ex-US) Equity Fund	Omnis Asia Pacific (ex-Japan) Equity Fund (15%) Omnis Japanese Equity Fund (30%) Omnis European Equity Fund (55%) (existing fund)	0.71%	0.79%
Omnis Asia Pacific Equity Fund	Omnis Japanese Equity Fund (70%) Omnis Asia Pacific (ex-Japan) Equity Fund (30%)	0.84%	0.74%
Omnis UK Bond Fund	Omnis UK Gilt Fund (70%) Omnis Sterling Corporate Bond Fund (30%)	0.49%	0.41%
Omnis UK Equity Fund	Omnis UK All Companies Fund (90%) Omnis UK Smaller Companies Fund (10%)	0.69%	0.66%

The Investment Managers

Following an Investment Manager selection process which took place over a number of months, Omnis has selected the following Managers for the new funds.

Omnis Asia Pacific (ex-Japan) Equity Fund	Omnis Japanese Equity Fund
A new Omnis Asia Pacific ex-Japan Equity Fund will be introduced, managed by Veritas Asset Management. The lead manager is Ezra Sun based in London, supported by his team in Hong Kong. While Veritas may not be a household name in the UK, Omnis were impressed by the team's on-the-ground expertise.	A new Omnis Japanese Equity Fund will launch, managed by Schroder Investment Management. The co-managers are Andrew Rose and Masaki Taketsume. These are highly experienced managers with a great track record of investing in the country. As one of the largest economies in the world, it is great benefit for Omnis to have a single fund covering Japan run by experts in their field.
Omnis UK Gilt Fund and Omnis Sterling Corporate Bond Fund	Omnis UK All Companies Fund and Omnis UK Smaller Companies Fund
Omnis Investments continues its relationship with Columbia Threadneedle Investments, which will manage the Omnis UK Gilt Fund headed by Dave Chappell, and the Omnis Sterling Corporate Bond Fund run by Alasdair Ross. Gilts are bonds issued by the UK Government, and so are considered very secure. Corporate bonds are issued by companies, so potentially offer more reward for greater risk. Again, Omnis believes it is prudent to have two separate funds in these crucial areas.	The Omnis UK Equity Fund will be split into two separate funds, both managed by the newly appointed team at Franklin Templeton Investments (June 2018). The Omnis UK All Companies Fund, led by Colin Morton, can invest across the whole of the UK market, while the Omnis UK Smaller Companies Fund, run by Richard Bullas, specialises in potentially faster-growing stocks that generally do not generate the same level of analyst coverage as their larger 'mega-cap' cousins. As UK equities are such a big part of portfolios, Omnis believes more choice of funds in the home market leads to better diversification.

Ongoing Charge Figure (based on assumed Target Asset Allocation)

Omnis has designed the scheme so that it is cost neutral or beneficial to clients at a portfolio level. The charts below summarise the impact to the OCF at portfolio level.

Graphene C1 – blended OCF			
	OCF Pre-SoA	OCF Post-SoA	Change
Adventurous	0.72%	0.72%	-
Balanced	0.70%	0.69%	-0.01%
Cautious	0.67%	0.64%	-0.03%

Graphene C2 – blended OCF			
	OCF Pre-SoA	OCF Post-SoA	Change
Adventurous	0.82%	0.79%	-0.03%
Balanced	0.77%	0.71%	-0.06%
Cautious	0.71%	0.62%	-0.09%

Graphene C3 – blended OCF			
	OCF Pre-SoA	OCF Post-SoA	Change
Adventurous	0.89%	0.86%	-0.03%
Balanced	0.82%	0.77%	-0.05%
Cautious	0.75%	0.66%	-0.09%

OMPS Blended OCF (as at 6 th August 2018)			
	OCF Pre-SoA	OCF Post-SoA	Change
Adventurous	0.80%	0.77%	-0.03%
Balanced	0.75%	0.73%	-0.02%
Cautious	0.71%	0.68%	-0.03%