NATIONWIDE MUTUAL FUNDS
1000 Continental Drive, Suite 400
King of Prussia, PA 19406
(800) 848-0920

NATIONWIDE SHORT DURATION BOND FUND

IMPORTANT SHAREHOLDER INFORMATION

The enclosed Prospectus/Information Statement is being provided to inform you that on or about October 13, 2014, the Nationwide Short Duration Bond Fund, a series of the Nationwide Mutual Funds (the "Trust"), will be reorganized with and into Nationwide HighMark Short Term Bond Fund, also a series of the Trust. The Prospectus/Information Statement discusses this proposed reorganization and provides you with information that you should consider. The Board of Trustees of the Trust approved the reorganization and concluded that the reorganization is in the best interests of the Nationwide Short Duration Bond Fund and its shareholders.

Please review the information in the Prospectus/Information Statement for your reference. You do not need to take any action with regards to your account. On or about October 13, 2014, your shares of the Nationwide Short Duration Bond Fund will be converted automatically at their net asset value into the shares of the corresponding class of the Nationwide HighMark Short Term Bond Fund.

If you have any questions, please call the Trust at (800) 848-0920 (toll-free).

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King of Prussia, Pennsylvania 19406
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PROSPECTUS/INFORMATION STATEMENT

Dated August 12, 2014

Acquisition of the Assets of:

NATIONWIDE SHORT DURATION BOND FUND

(a series of Nationwide Mutual Funds)

By and in exchange for shares of:

NATIONWIDE HIGHMARK SHORT TERM BOND FUND

(a series of Nationwide Mutual Funds)

This Prospectus/Information Statement is being furnished to shareholders of Nationwide Short Duration Bond Fund (the "Target Fund"), a series of Nationwide Mutual Funds (the "Trust") pursuant to a Plan of Reorganization (the "Plan") whereby all of the assets of the Target Fund will be acquired by the Nationwide HighMark Short Term Bond Fund, also a series of the Trust (the "Acquiring Fund," and collectively with the Target Fund, the "Funds"), in exchange for Class A shares, Class C shares, Institutional Class shares, and Institutional Service Class shares of the Acquiring Fund (the "Reorganization"). According to the Plan, the Target Fund will then be liquidated and dissolved. The Board of Trustees of the Trust (the "Board") has approved the Plan and the Reorganization. Shareholders of the Target Fund are not required to and are not being asked to approve the Plan or the Reorganization.

Pursuant to the Plan, holders of Class A and Service Class shares of the Target Fund will receive the equivalent aggregate net asset value of Class A shares of the Acquiring Fund, holders of Class C shares of the Target Fund will receive the equivalent aggregate net asset value of Class C shares of the Acquiring Fund, holders of Institutional Class shares of the Target Fund will receive the equivalent aggregate net asset value of Institutional Class shares of the Acquiring Fund, and holders of Institutional Service Class shares of the Target Fund will receive the equivalent aggregate net asset value of Institutional Service Class shares of the Acquiring Fund.

The investment goals of the Funds are similar. The Target Fund seeks to provide a high level of current income while preserving capital and minimizing fluctuations in share value. The Target Fund invests primarily in investment-grade corporate bonds, U.S. government securities, and mortgage-backed and asset-backed securities. The Target Fund maintains an average portfolio duration of up to 3 years. The Acquiring Fund seeks total return through investments in fixed-income securities. The Acquiring Fund invests primarily in short-term investment-grade corporate bonds, U.S. government securities, mortgage-backed and asset-backed securities, maintaining an average portfolio duration of between 1 and 3 years. Each Fund is a diversified series of the Trust. Both Funds also utilize Nationwide Fund Advisors ("NFA") as the primary investment adviser, and HighMark Capital Management, Inc. ("HighMark") as the subadviser.

This Prospectus/Information Statement provides the information that you should know about the Reorganization and about an investment in the Acquiring Fund. You should retain this Prospectus/Information Statement for future reference. A Statement of Additional Information dated August 12, 2014 (the "Statement of Additional Information"), relating to this Prospectus/Information Statement contains more information about the

Acquiring Fund and the Reorganization, and has been filed with the U.S. Securities and Exchange Commission (the "SEC") and is incorporated herein by reference.

The prospectus of the Acquiring Fund, dated November 29, 2013, as revised March 1, 2014 (1933 Act File No. 333-40455) (the "Acquiring Fund Prospectus"), is incorporated herein by reference and is considered a part of, this Proxy Prospectus/Information Statement, and is intended to provide you with information about the Acquiring Fund. The prospectus of the Target Fund, dated March 1, 2014 (1933 Act File No. 333-40455) and as amended to date, provides additional information about the Target Fund and is incorporated herein by reference.

You can request a free copy of the Statement of Additional Information, Acquiring Fund or Target Fund Prospectus, the Annual Report to Shareholders of the Acquiring Fund for the fiscal year ended July 31, 2013, or Target Fund for the fiscal year ended October 31, 2013 (collectively the "Annual Reports") or the Semiannual Report to Shareholders of the Acquiring Fund for the period ended January 31, 2014, and Target Fund for the period ended April 30, 2014, by calling (800) 848-0920, or by writing to the Trust at: 1000 Continental Drive, Suite 400, King of Prussia, Pennsylvania 19406.

Additional information about the Acquiring Fund can be viewed online or downloaded from the EDGAR database without charge on the SEC's Internet site at www.sec.gov. Shareholders can review and copy information about the Acquiring Fund and the Trust by visiting the Public Reference Room, U.S. Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-0102. Shareholders can obtain copies, upon payment of a duplicating fee, by sending an e-mail request to publicinfo@sec.gov or by writing the Public Reference Room at the address above. Information on the operation of the Public Reference Room may be obtained by calling (202) 551-8090.

**WE ARE NOT ASKING YOU FOR A PROXY
AND YOU ARE REQUESTED NOT TO SEND US A PROXY.**

The SEC has not approved or disapproved these securities or passed upon the adequacy of this Prospectus/Information Statement. Any representation to the contrary is a criminal offense.

Mutual fund shares are not deposits or obligations of, or guaranteed or endorsed by, any bank, and are not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other U.S. government agency. Mutual fund shares involve investment risks, including the possible loss of principal.

INTRODUCTION

This is only a summary of certain information contained in this Prospectus/Information Statement. You should read the more complete information in the rest of this Prospectus/Information Statement, including the Plan, attached as Exhibit A, and the Acquiring Fund Prospectus included with this Prospectus/Information Statement.

The Reorganization

At a meeting held on June 11, 2014, the Board, on behalf of the Target Fund, considered the proposal to reorganize the Target Fund with and into the Acquiring Fund, and approved the Plan.

The Plan provides for: (i) the acquisition by the Acquiring Fund of all of the property and assets of the Target Fund in exchange solely for Class A shares, Class C shares, Institutional Class shares and Institutional Service Class shares of the Acquiring Fund; (ii) the pro rata distribution of such shares of the Acquiring Fund to shareholders of the Target Fund holding the corresponding class of shares of the Target Fund; and (iii) the liquidation and dissolution of the Target Fund. The transaction for the Target Fund is referred to in this Prospectus/Information Statement as the "Transaction." The Board approved the Plan for the Target Fund unanimously.

At the closing of the Transaction, all of the Target Fund's assets will be transferred to the Acquiring Fund in exchange for the Acquiring Fund's shares equal in value to the assets of the Target Fund that are transferred to the Acquiring Fund. The Acquiring Fund shares will then be distributed pro rata to the Target Fund's shareholders and the Target Fund will be liquidated and dissolved.

The Transaction will result in your shares of the Target Fund being exchanged for Acquiring Fund shares equal in value (but having a different price per share) to your shares of the Target Fund. In particular, Class A, Class C, Institutional Class, and Institutional Service Class shares of the Target Fund will merge with and into Class A, Class C, Institutional Class, and Institutional Service Class, respectively, of the Acquiring Fund. In addition, Service Class shares of the Target Fund will merge with and into Class A shares of the Acquiring Fund. This means that you will cease to be a shareholder of the Target Fund and will become a shareholder of the Acquiring Fund. This exchange will occur on a date agreed upon by the parties to the Plan (hereafter, the "Closing Date"), which is currently anticipated to occur on or around October 13, 2014. Class A and Service Class shareholders of the Target Fund will not be assessed sales charges for the exchange of their shares for Class A shares of the Acquiring Fund. Subsequent purchases of Class A shares of the Acquiring Fund will, however, be subject to applicable sales charges.

For the reasons set forth below under "Reasons for the Transaction," the Board has concluded that the Transaction is in the best interests of the Target Fund and Acquiring Fund. The Board has also concluded that the interests of the existing shareholders of the Target Fund and the existing shareholders of the Acquiring Fund will not be diluted as a result of the Transaction.

In conjunction with the Transaction, the shareholders of the Nationwide Enhanced Income Fund ("Enhanced Income Fund") will be asked to approve the reorganization of the Enhanced Income Fund into the Acquiring Fund ("Enhanced Income Fund Reorganization"). Should the shareholders of the Enhanced Income Fund approve the Enhanced Income Fund Reorganization, the transaction to implement the Enhanced Income Fund Reorganization will occur on or around the Closing Date. The Transaction, however, is not contingent upon shareholder approval of the Enhanced Income Fund Reorganization.

How do the investment objectives, principal strategies and policies of the Target Fund compare against the Acquiring Fund?

Investment Objectives. The Target Fund seeks to provide a high level of current income while preserving capital and minimizing fluctuations in share value, whereas the Acquiring Fund seeks total return through investments in fixed-income securities. The Target Fund's and Acquiring Fund's investment objectives are non-fundamental and may be changed by the Board without shareholder approval upon 60 days' written notice to shareholders.

Principal Investment Strategies and Policies. The principal strategies of the Target Fund are similar to the principal strategies of the Acquiring Fund. Both Funds invest primarily in investment-grade corporate bonds, U.S. government securities, and mortgage-backed and asset-backed securities. The Target Fund's average duration not to exceed three years is substantially the same as the average duration for the Acquiring Fund of one to three years. In addition, both Funds are managed by the same portfolio management team. The Acquiring Fund may invest, however, in corporate debt securities issued by foreign companies, while the Target Fund does not invest in foreign securities as a principal investment strategy. Further, the Acquiring Fund may invest up to 10% of its assets in high-yield bonds, which are rated below investment-grade and are often referred to as "junk bonds," whereas the Target Fund does not invest in high-yield bonds as a principal investment strategy. Each Fund is classified as "diversified" under applicable federal law and will not concentrate its investments in any one industry.

For further information about the investment objectives and policies of the Funds, see "Comparison of Investment Objectives, Principal Strategies, Policies and Principal Risks" below.

What are the principal risks associated with investments in the Target Fund versus the Acquiring Fund?

As with most investments, investments in the Funds involve certain principal risks. There can be no guarantee against losses resulting from an investment in the Funds, nor is there any assurance that the Funds will achieve their investment objectives. The principal risks associated with an investment in the Target Fund are similar, but not identical, to the principal risks associated with an investment in the Acquiring Fund.

Overall risk levels for the Acquiring Fund and Target Fund are comparable. However the degree of credit risk for the Acquiring Fund is higher due to its investment in high-yield bonds. In addition, the Acquiring Fund is also subject to high-yield bonds risk and foreign securities risk. While the Funds are exposed to slightly different risks, as discussed in the Registration Statement, NFA believes that their overall risk profiles are not substantially different.

Interest rate risk. The Funds both invest primarily in fixed-income securities and generally, when interest rates go up, the value of fixed-income securities goes down. Prices of longer-term securities generally change more in response to interest rate changes than prices of shorter-term securities. Again, the Target Fund's average duration not to exceed three years is substantially the same as the average duration of one to three years for the Acquiring Fund. To the extent the Acquiring Fund invests a substantial portion of its assets in fixed-income securities with longer-term maturities, rising interest rates may cause the value of the Acquiring Fund's investments to decline significantly.

Credit risk. Both Funds are subject to the risk that a bond issuer may be unable to pay the interest or principal when due. If an issuer defaults, a Fund may lose money. This risk is particularly high for high-yield bonds, which is a principal investment for the Acquiring Fund. Changes in a bond issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the value of a bond.

Liquidity risk. The Funds' investments in fixed-income securities may become more difficult to sell at or near their perceived value when there is little or no active trading market for such securities. An inability to sell a portfolio position can adversely affect a Fund's value or prevent a Fund from being able to take advantage of other investment opportunities. Liquidity risk also includes the risk that the Funds will experience significant net redemptions of their shares at a time when the Funds cannot find willing buyers for portfolio securities or can only sell portfolio securities at a material loss. To meet redemption requests, the Funds may be forced to sell other securities or instruments that are more liquid, but at an unfavorable time and conditions.

Prepayment and call risk. To the extent certain bonds are paid off by the issuer more quickly than anticipated, the Funds may be required to invest the proceeds in securities with lower yields.

Mortgage-backed and asset-backed securities risks. The Funds' investments in mortgage-backed and asset-backed securities are generally subject to the same types of risk that apply to other fixed-income securities, such as interest rate risk, credit risk, and prepayment and call risk. Mortgage-backed securities are also subject to extension risk, which is the risk that when interest rates rise, certain mortgage-backed securities will be paid off by the issuer more slowly than anticipated. This can cause the market value of the security to fall because the market may view its interest rate as too low for a longer-term investment. Investments in mortgage-backed securities may also expose the Funds to subprime loans, as well as to the mortgage and credit markets generally. The credit quality of most asset-backed securities depends primarily on the credit quality of the assets underlying such securities, how well the entity issuing the security is insulated from the credit risk of the originator or any other affiliated entities, and the amount and quality of any credit enhancement of the securities.

High-yield bonds risk. The Acquiring Fund's investment in high-yield bonds subjects the Fund to substantial risk of loss due to issuer default, decline in market value due to adverse economic and business developments, or sensitivity to changing interest rates.

Foreign securities risk. The Acquiring Fund's investment in foreign securities may be more volatile, harder to price and less liquid than U.S. securities. The prices of foreign securities may be further affected by other factors, such as changes in the exchange rates between the U.S. dollar and the currencies in which the securities are traded.

For further information about the principal risks of investing in the Funds, see "Comparison of Investment Objectives, Principal Strategies, Policies and Principal Risks" below.

What are the general tax consequences of the Transaction?

The Transaction is intended to qualify as a tax-free reorganization for federal income tax purposes (although there can be no assurance that the Internal Revenue Service ("IRS") will adopt a similar position). This means that the shareholders of the Target Fund will not recognize any gain or loss for federal income tax purposes as a result of the exchange of their shares in the Target Fund for shares of the Acquiring Fund pursuant to the Transaction. Prior to the closing of the Transaction, the Target Fund will distribute to its shareholders, in one or more taxable distributions, all of its income and gains (net of available capital loss carryovers) not previously distributed for taxable years ending on or prior to the date of closing of the Transaction. You should consult your tax advisor regarding the effect, if any, of the Transaction in light of your individual circumstances. You should also consult your tax advisor about the state and local tax consequences of the Transaction, if any, because the information about tax consequences in this document relates to the federal income tax consequences of the Transaction only.

For more detailed information about the federal income tax consequences of the Transaction, see "Information about the Transaction and the Plan — What are the tax consequences of the Transaction?"

Who manages the Funds?

Nationwide Fund Advisors ("NFA" or the "Adviser"), 1000 Continental Drive, Suite 400, King of Prussia, Pennsylvania 19406, manages the investment of each Fund's assets and supervises the daily business affairs of the Funds. Subject to the supervision of the Board, NFA also determines the allocation of each Fund's assets among one or more subadvisers and evaluates and monitors the performance of any such subadvisers. NFA was organized in 1999 as an investment adviser for mutual funds. NFA is a wholly-owned subsidiary of Nationwide Financial Services, Inc. As of June 30, 2014 NFA managed in the aggregate approximately $28.2 billion in assets in various investment company accounts.

Subject to the supervision of NFA and the Board, one or more subadvisers will manage all or a portion of each Fund's assets in accordance with each Fund's investment objectives and strategies. With regard to the portion of a Fund's assets allocated to it, each subadviser makes investment decisions for the Fund and, in connection with such investment decisions, places purchase and sell orders for securities.

HighMark Capital Management, Inc. ("HighMark") is the subadviser for both Funds and is located at 350 California Street, Suite 1600, San Francisco, CA 94104. HighMark is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940 (the "Advisers Act") and is organized as a California corporation. HighMark is a subsidiary of MUFG Union Bank, N.A., which is a subsidiary of MUFG Americas Holdings Corporation. MUFG Americas Holdings Corporation is wholly-owned by The Bank of Tokyo — Mitsubishi UFJ, Ltd. (BTMU). BTMU is in turn a wholly-owned subsidiary of Mitsubishi UFJ Financial Group, Inc. As of June 30, 2014, HighMark had approximately $14.7 billion in assets under management. HighMark (and its predecessors) have been providing investment management services to individuals, institutions and large corporations since 1919.

E. Jack Montgomery is responsible for the day-to-day management of the Funds., Jeffrey Klein, Gregory Lugosi and David Wines support Mr. Montgomery in the day-to-day management of the Funds.

Mr. Montgomery earned a bachelor's degree in Finance from the University of Oklahoma and an MBA in Finance from the University of Oregon at Eugene. Mr. Montgomery is Vice President and Director of Fixed-Income of HighMark and has been associated with HighMark and its predecessors since 1994.

Mr. Klein, CFA, is Vice President and Fixed-Income Funds Manager of HighMark and has been associated with HighMark since 2010. Prior to 2010, Mr. Klein was Senior Portfolio Manager of Bishop Street Capital Management from 2009 to 2010; Managing Director, Co-Head U.S. Fixed Income and Head of U.S. Credit Management of Halbis Capital Management from 2005 to 2007; and Portfolio Manager of Dodge & Cox from 1992 to 2004. Mr. Klein earned a Bachelor of Arts in Political Science with a minor in English Literature from Columbia University.

Mr. Lugosi is Vice President and Fixed-Income Funds Manager of HighMark and has been associated with HighMark and its predecessors since 1991. Mr. Lugosi earned a Bachelor of Arts in Business Administration from Woodbury University.

Mr. Wines, CFA, is Senior Vice President and Chief Fixed Income Officer of HighMark and has been associated with HighMark since 2004. Prior to joining HighMark, Mr. Wines was the Director of Investment Strategies at AssetMark Investment Services. Mr. Wines earned a Bachelor of Science in Finance from the University of Oregon and a Master of Business Administration in Management from Golden Gate University.

The SAI for the Target Fund, dated March 1, 2014, and the SAI for the Acquiring Fund, dated November 29, 2013, provide additional information about the portfolio managers' compensation, other accounts managed by the portfolio managers, and the portfolio managers' ownership of securities in the Funds. For information on how to obtain a copy of the SAI for the Funds, please see the section entitled, "More Information About the Funds."

What are the fees and expenses of each Fund and what might they be after the Transaction?

The following tables describe the fees and expenses that you may pay when buying and holding shares of the Funds, depending on the share class you hold, followed by those estimated to be charged with respect to the corresponding class of shares of the Acquiring Fund after the Transaction. The operating expenses shown for the Target Fund are based on expenses incurred during the Fund's most recent fiscal year ended October 31, 2013, as restated to reflect current fees. The operating expenses shown for the Acquiring Fund are based on expenses incurred during the Fund's most recent fiscal year ended July 31, 2013, as restated to reflect current fees. The tables below also include the pro forma expenses after the Transaction with the Acquired Fund and the Enhanced Income Fund Reorganization for the relevant share classes.

FEE TABLES FOR THE FUNDS

Class A Shares

	Actual		Pro forma	Pro forma
	Target Fund — Class A	Acquiring Fund — Class A	Acquiring Fund — Class A After Transaction with Target Fund	Acquiring Fund — Class A After Transaction with Target Fund and Enhanced Income Fund
Shareholder Fees (paid directly from your investment)				
Maximum Sales Charge (Load) imposed upon purchases (as a percentage of offering price)	2.25%	2.25%	2.25%	2.25%
Maximum Deferred Sales Charge (Load) (as a percentage of offering or sale price, whichever is less)	None	None	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)				
Management Fees	0.35%	0.35%	0.35%	0.35%
Distribution and/or Service (12b-1) Fees	0.25%	0.25%	0.25%	0.25%
Other Expenses	0.29%	0.46%	0.23%	0.17%
Total Annual Fund Operating Expenses	0.89%	1.06%	0.83%	0.77%
Fee Waiver/Expense Reimbursement	(0.04)%[1]	(0.30)%[2]	(0.07)%[2]	(0.01)%[2]
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	0.85%	0.76%	0.76%	0.76%

Service Class Shares

	Actual		Pro forma	Pro forma
	Target Fund — Service Class	Acquiring Fund — Class A	Acquiring Fund — Class A After Transaction with Target Fund	Acquiring Fund — Class A After Transaction with Target Fund and Enhanced Income Fund
Shareholder Fees (paid directly from your investment)				
Maximum Sales Charge (Load) imposed upon purchases (as a percentage of offering price)	None	2.25%	2.25%	2.25%
Maximum Deferred Sales Charge (Load) (as a percentage of offering or sale price, whichever is less)	None	None	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)				
Management Fees	0.35%	0.35%	0.35%	0.35%
Distribution and/or Service (12b-1) Fees	0.25%	0.25%	0.25%	0.25%
Other Expenses	0.30%	0.46%	0.23%	0.17%
Total Annual Fund Operating Expenses	0.90%	1.06%	0.83%	0.77%
Fee Waiver/Expense Reimbursement	(0.04)%[1]	(0.30)%[2]	(0.07)%[2]	(0.01)%[2]
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	0.86%	0.76%	0.76%	0.76%

Class C Shares

	Actual		Pro forma	Pro forma
	Target Fund — Class C	Acquiring Fund — Class C	Acquiring Fund — Class C After Transaction with Target Fund	Acquiring Fund — Class C After Transaction with Target Fund and Enhanced Income Fund
Shareholder Fees (paid directly from your investment)				
Maximum Sales Charge (Load) imposed upon purchases (as a percentage of offering price)	None	None	None	None
Maximum Deferred Sales Charge (Load) (as a percentage of offering or sale price, whichever is less)	0.75%	1.00%	1.00%[3]	1.00%[3]
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)				
Management Fees	0.35%	0.35%	0.35%	0.35%
Distribution and/or Service (12b-1) Fees	0.75%	0.75%	0.75%	0.75%
Other Expenses	0.25%	0.21%	0.21%	0.15%
Total Annual Fund Operating Expenses	1.35%	1.31%	1.31%	1.25%
Fee Waiver/Expense Reimbursement	(0.04)%[1]	(0.11)%[2]	(0.11)%[2]	(0.05)%[2]
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	1.31%	1.20%	1.20%	1.20%

Institutional Class Shares

	Actual		Pro forma	Pro forma
	Target Fund — Institutional	Acquiring Fund — Institutional	Acquiring Fund — Institutional After Transaction with Target Fund	Acquiring Fund — Institutional After Transaction with Target Fund and Enhanced Income Fund
Shareholder Fees (paid directly from your investment)				
Maximum Sales Charge (Load) imposed upon purchases (as a percentage of offering price)	None	None	None	None
Maximum Deferred Sales Charge (Load) (as a percentage of offering or sale price, whichever is less)	None	None	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)				
Management Fees	0.35%	0.35%	0.35%	0.35%
Distribution and/or Service (12b-1) Fees	None	None	None	None
Other Expenses	0.24%	0.21%	0.15%	0.09%
Total Annual Fund Operating Expenses	0.59%	0.56%	0.50%	0.44%
Fee Waiver/Expense Reimbursement	(0.04)%[1]	(0.11)%[2]	(0.05)%[2]	None[2]
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	0.55%	0.45%	0.45%	0.44%

Institutional Service Class Shares

	Actual		Pro forma	Pro forma
	Target Fund — Institutional Service	Acquiring Fund — Institutional Service	Acquiring Fund — Institutional Service After Transaction with Target Fund	Acquiring Fund — Institutional Service After Transaction with Target Fund and Enhanced Income Fund
Shareholder Fees (paid directly from your investment)				
Maximum Sales Charge (Load) imposed upon purchases (as a percentage of offering price)	None	None	None	None
Maximum Deferred Sales Charge (Load) (as a percentage of offering or sale price, whichever is less)	None	None	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)				
Management Fees	0.35%	0.35%	0.35%	0.35%
Distribution and/or Service (12b-1) Fees	None	None	None	None
Other Expenses	0.29%	0.46%	0.18%	0.12%
Total Annual Fund Operating Expenses	0.64%	0.81%	0.53%	0.47%
Fee Waiver/Expense Reimbursement	(0.04)%[1]	(0.30)%[2]	(0.02)%[2]	None[2]
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	0.60%	0.51%	0.51%	0.47%

1 The Trust and the Adviser have entered into a written contract limiting annual fund operating expenses to 0.55% until at least February 28, 2015. Under the expense limitation agreement, the level to which operating expenses are limited applies to all share classes, excluding any taxes, interest, brokerage commissions, Rule 12b-1 fees, short-sale dividend expenses, administrative services fees, other expenses which are capitalized in accordance with generally accepted accounting principles and expenses incurred by the Fund in connection with any merger or reorganization, and may exclude other non-routine expenses not incurred in the ordinary course of the Fund's business. The expense limitation agreement may be changed or eliminated at any time but only with the consent of the Board of Trustees of the Trust. The Trust is authorized to reimburse the Adviser for management fees previously waived and/or for expenses previously paid by the Adviser, provided, however, that any reimbursements must be paid at a date not more than three years after the fiscal year in which the Adviser waived the fees or reimbursed the expenses and the reimbursements do not cause the Fund to exceed the expense limitation that was in place at the time the Adviser waived the fees or reimbursed the expenses.

2 The Trust and the Adviser have entered into a written contract limiting operating expenses to 0.76% for Class A shares, 1.20% for Class C shares, 0.45% for Institutional Class shares, and 0.51% for Institutional Service Class shares until at least November 30, 2016. Under the expense limitation agreement, the level to which operating expenses are limited excludes any taxes, interest, brokerage commissions, acquired fund fees and expenses, short-sale dividend expenses, other expenses which are capitalized in accordance with generally accepted accounting principles and expenses incurred by the Fund in connection with any merger or reorganization, and may exclude other non-routine expenses not incurred in the ordinary course of the Fund's business. The expense limitation agreement may be changed or eliminated at any time but only with the consent of the Board of Trustees of the Trust. The Trust is authorized to reimburse the Adviser for management fees previously waived and/or for expenses previously paid by the Adviser, provided, however, that any reimbursements must be paid at a date not more than three years after the fiscal year in which the Adviser waived the fees or reimbursed the expenses and the reimbursements do not cause the Fund to exceed the expense limitation that was in place at the time the Adviser waived the fees or reimbursed the expenses.

3 Holders of Class C shares of the Target Fund who redeem their shares during the one-year period following completion of the Transaction will continue to be subject to a contingent deferred sales charge of only 0.75%.

Examples

These Examples are intended to help you compare the costs of investing in Target Fund shares with the cost of investing in Acquiring Fund shares of the comparable class, both before and after the Transaction. The costs reflect the effects of expense limitation and/or fee waivers on the part of a Fund's adviser for the period of the contractual expense limitation agreement. Absent such arrangements, the costs would be higher. The Examples assume that you invest $10,000 in the Fund for the time periods indicated and then sell all of your shares at the end of those time periods. The Examples assume a 5% return each year and no change in expenses. Although your actual costs may be higher or lower, based on these assumptions, the costs would be:

Class A

	1 Year	3 Years	5 Years	10 Years
Target Fund — Class A Shares	$310	$499	$703	$1,293
Target Fund — Service Class Shares	$ 88	$283	$495	$1,104
Acquiring Fund — Class A Shares	301	525	768	1,464
Pro forma Acquiring Fund — Class A Shares (after the Transaction with Target Fund)	301	477	668	1,221
Pro forma Acquiring Fund — Class A Shares (after the Transaction with Target Fund and Enhanced Income Fund)	301	464	642	1,157

Institutional Class

	1 Year	3 Years	5 Years	10 Years
Target Fund — Institutional Class Shares	$56	$185	$325	$734
Acquiring Fund — Institutional Class Shares	46	168	302	691
Pro forma Acquiring Fund — Institutional Class Shares (after the Transaction with Target Fund)	46	155	275	623
Pro forma Acquiring Fund — Institutional Class Shares (after the Transaction with Target Fund and Enhanced Income Fund)	45	141	246	555

Institutional Service Class

	1 Year	3 Years	5 Years	10 Years
Target Fund — Institutional Service Class Shares	$61	$201	$353	$795
Acquiring Fund — Institutional Service Class Shares	52	229	420	974
Pro forma Acquiring Fund — Institutional Service Class Shares (after the Transaction with Target Fund)	52	168	294	663
Pro forma Acquiring Fund — Institutional Service Class Shares (after the Transaction with Target Fund and Enhanced Income Fund)	48	151	263	591

You would pay the following expenses on the same investment if you did not sell your shares:

Class C

	1 Year	3 Years	5 Years	10 Years
Target Fund — Class C Shares	$133	$424	$736	$1,620
Acquiring Fund — Class C Shares	122	404	708	1,569
Pro forma Acquiring Fund — Class C Shares (after the Transaction with Target Fund)	122	404	708	1,569
Pro forma Acquiring Fund — Class C Shares (after the Transaction with Target Fund and Enhanced Income Fund)	122	392	682	1,507

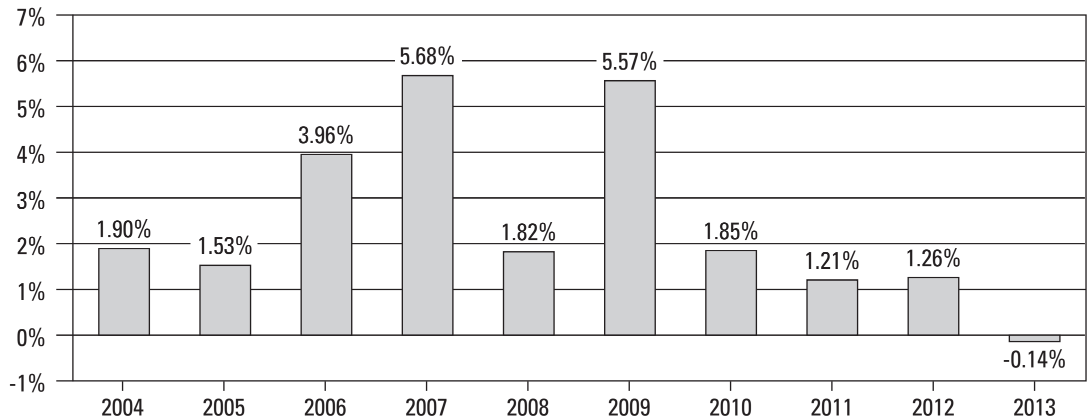
These are just examples. They do not represent past or future expenses or returns. Each Fund pays its own operating expenses. The effects of these expenses are reflected in the net asset value and are not directly charged to your account. The expenses of each of the Funds comprise expenses attributable to each Fund, respectively, as well as expenses not attributable to any particular series of the Trust that are allocated among the various series of the Trust.

How do the performance records of the Funds compare?

As described under the section "Reasons for the Transaction," the Board considered a number of factors when reviewing the Plan and considering the Transaction. The performance history of the Target Fund compared to the Acquiring Fund, as of March 31, 2014, was among the factors that the Board considered.

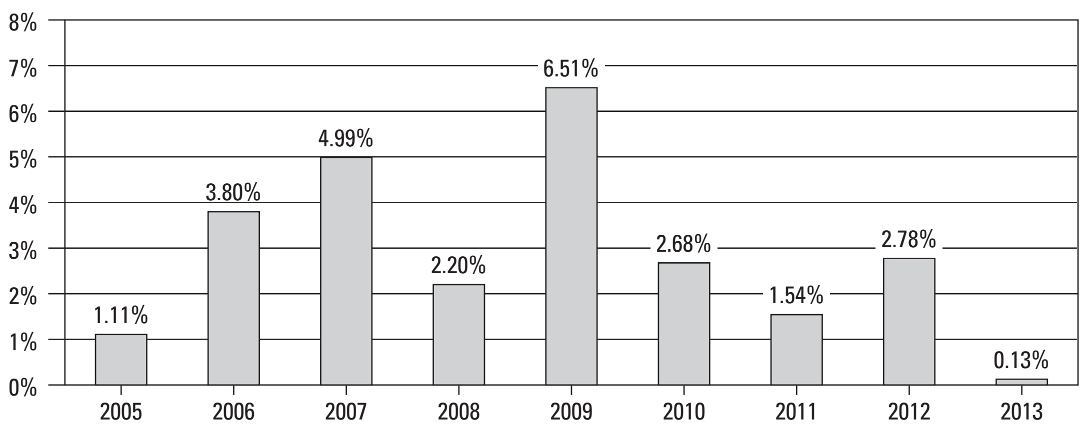
The performance history of the Target Fund and Acquiring Fund, as of December 31, 2013 is shown below:

Nationwide Short Duration Bond Fund — Class A



Best Quarter:	**2.06%**	**3rd qrt. 2007**
Worst Quarter:	**-0.72%**	**2nd qrt. 2013**
Year-to-Date Total Return as of June 30, 2014:	**0.75%**	

Nationwide HighMark Short Term Bond Fund — Class A



Best Quarter:	**2.19%**	**3rd qrt. 2009**
Worst Quarter:	**-0.80%**	**2nd qrt. 2013**
Year-to-Date Total Return as of June 30, 2014:	**0.76%**	

	Average Annual Total Returns		
	1 Year	5 Years	10 Years or Since Inception*
Target Fund — Class A	-2.35%	1.47%	2.22%
Target Fund — Service Class	-0.16%	1.85%	2.36%
Acquiring Fund — Class A	-2.10%	2.25%	2.53%
Target Fund — Class C	-1.34%	1.45%	2.03%
Acquiring Fund — Class C	-1.32%	2.26%	2.39%
Target Fund — Institutional Class	0.15%	2.21%	2.73%
Acquiring Fund — Institutional Class	0.40%	3.00%	3.07%
Target Fund — Institutional Service Class	-0.16%	1.85%	2.36%
Acquiring Fund — Institutional Service Class	0.39%	2.99%	3.07%
Performance Benchmark For Target Fund			
Barclays 1-3 Year U.S. Government/Credit Bond Index [1]	0.64%	2.02%	2.91%
Performance Benchmark For Acquiring Fund			
Barclays 1-3 Year U.S. Government/Credit Bond Index[1]	0.64%	2.02%	2.91%

1 The Barclays 1-3 Year U.S. Government/Credit Bond Index includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 3 years and are publicly issued. Unlike mutual funds, the Index does not incur expenses. If expenses were deducted, the actual returns of the Index would be lower. Individuals cannot invest directly in an index.

* Class A and Institutional Service Class Shares of the Acquiring Fund commenced operations on November 2, 2004. Class C shares of the Acquiring Fund commenced operations on November 29, 2004.

In addition, the performance history of the Target Fund and Acquiring Fund, as of June 30, 2014, is shown below:

	Average Annual Total Returns		
	1 Year	5 Years	10 Years or Since Inception*
Target Fund — Class A	-0.92%	0.94%	2.17%
Target Fund — Service Class	1.32%	1.33%	2.31%
Acquiring Fund — Class A	-0.78%	1.65%	2.48%
Target Fund — Class C	0.13%	0.94%	1.95%
Acquiring Fund — Class C	-0.08%	1.63%	2.31%
Target Fund — Institutional Class	1.65%	1.69%	2.68%
Acquiring Fund — Institutional Class	1.80%	2.39%	3.01%
Target Fund — Institutional Service Class	1.41%	1.35%	2.32%
Acquiring Fund — Institutional Service Class	1.68%	2.37%	2.99%
Performance Benchmark For Target Fund			
Barclays 1-3 Year U.S. Government/Credit Bond Index[1]	1.14%	1.73%	2.96%
Performance Benchmark For Acquiring Fund			
Barclays 1-3 Year U.S. Government/Credit Bond Index[1]	1.14%	1.73%	2.96%

1 The Barclays 1-3 Year U.S. Government/Credit Bond Index includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that

have maturities of between 1 and 3 years and are publicly issued. Unlike mutual funds, the Index does not incur expenses. If expenses were deducted, the actual returns of the Index would be lower. Individuals cannot invest directly in an index.

* Class A and Institutional Service Class Shares of the Acquiring Fund commenced operations on November 2, 2004. Class C shares of the Acquiring Fund commenced operations on November 29, 2004.

Where can I find more financial information about the Funds?

The Target Fund's and Acquiring Fund's Annual Reports contain a discussion of each Fund's performance during their fiscal years ending October 31, 2013, and July 31, 2013, respectively, and show per share information for each of the previous five fiscal years. The Acquiring Fund's Annual Report for the fiscal year ending July 31, 2014 will be available on or about September 30, 2014. These documents, and each Fund's most recent Semi-annual Report (April 30, 2014, for the Target Fund, and January 31, 2014, for the Acquiring Fund), are available upon request. (See "More Information about the Funds").

What are other key features of the Funds?

Investment Advisory Fees. NFA is the investment adviser of each Fund. NFA has entered into separate investment advisory agreements relating to each Fund. The investment advisory fees for the Funds are:

Fund	Investment Advisory Fee
Target Fund	0.35% on assets up to $500 million
Acquiring Fund	0.34% for assets of $500 million up to $1 billion
	0.325% for assets of $1 billion up to $3 billion
	0.30% for assets of $3 billion up to $5 billion
	0.285% for assets of $5 billion up to $10 billion
	0.275% for assets of $10 billion and more

As of June 30, 2014, neither Fund achieved sufficient asset size to qualify for any of the investment advisory fee breakpoints detailed in the above chart. NFA has contracted to waive the portion, if any, of the annual investment advisory fees payable by the Target Fund and the Acquiring Fund and to pay certain expenses of the Target Fund and the Acquiring Fund for the period through February 28, 2015, and November 30, 2016, respectively, to the extent necessary to limit the total operating expenses of the appropriate class of each Fund to the levels described in the Fee Tables beginning on page 9.

NFA pays a subadvisory fee to each subadviser based upon the investment advisory fee NFA receives.

Distribution Services. Nationwide Fund Distributors LLC ("NFD" or the "Distributor"), 1000 Continental Drive, Suite 400, King of Prussia, Pennsylvania 19406, serves as principal underwriter for both Funds in the continuous distribution of their shares pursuant to an Underwriting Agreement dated May 1, 2007. In its capacity as principal underwriter, NFD solicits orders for the sale of shares, advertises and pays the costs of distribution, advertising, office space and the personnel involved in such activities. NFD receives no compensation under the Underwriting Agreement with the Trust, but may retain all or a portion of the sales charge and 12b-1 fee, if any, imposed upon the sale of shares of each Fund. The Underwriting Agreement with the Trust covers both Funds.

Rule 12b-1 Plans. The Trust has adopted a distribution plan under Rule 12b-1 (the "Rule 12b-1 Plan") of the Investment Company Act of 1940 (the "1940 Act") for each Fund's Class A and Class C shares, and the Service Class shares of the Target Fund. The Rule 12b-1 Plan permits each Fund to compensate NFD, as each Fund's principal underwriter, for expenses associated with the distribution of Class A shares and Class C shares of the Funds and Service Class shares of the Target Fund. Although actual distribution expenses may be more or less, Class A and Class C shares pay NFD an annual fee under the Distribution Plan an amount that will not exceed 0.25% and 0.75%, respectively. The Service Class shares of the Target Fund pay NFD an annual fee under the Distribution Plan an amount that will not exceed 0.25%. The Rule 12b-1 Plan applies to both Funds.

Purchase, Exchange and Redemption Procedures. Generally, there are no differences between each Fund's procedures with regard to the purchase, exchange and redemption of Fund shares. You may refer to the prospectus for the Funds under the section entitled "Investing with Nationwide Funds" for the purchase, exchange, and redemption procedures applicable to the purchases, exchanges and redemptions of each Fund's shares. In summary, the purchase, exchange, and redemption price of each share of the Funds is its net asset value next determined after the order is received in good order by the Fund or its agent. Shares may be redeemed or exchanged at any time, subject to certain restrictions.

Dividends, Distributions and Taxes. Generally, there are no differences between each Fund's procedures with regard to dividends, distributions and taxes. You may refer to the prospectus for the Funds under the section entitled "Distributions and Taxes." In summary, substantially all of each Fund's net investment income, if any, is declared daily and paid as a dividend each month. Any net realized capital gains of a Fund will be declared and paid to shareholders at least annually. All income and capital gain distributors are automatically reinvested in shares of the applicable Fund. You may request in writing a payment in cash.

Sales Charges. The sales charge structure for Class A shares of the Target Fund and the Acquiring Fund are identical. Class C shares of the Target Fund and the Acquiring Fund are subject to a contingent deferred sales charge ("CDSC") when redeemed within one year of their purchase, although the CDSC for the Target Fund is 0.75%, and the CDSC for the Acquiring Fund is 1.00%. Service Class shares of the Target Fund, and Institutional Class and Institutional Service Class of the Target Fund and Acquiring Fund, are not subject to any sales charges.

Target Fund shareholders will not pay any sales charge as a result of the Transaction. Following the Transaction, the CDSC that former holders of Class C shares of the Target Fund who redeem shares they received in the Transaction will continue to be only 0.75%.

COMPARISON OF INVESTMENT OBJECTIVES, PRINCIPAL STRATEGIES, POLICIES AND PRINCIPAL RISKS

This section describes the investment objectives, principal strategies and the key investment policies of the Funds, and certain noteworthy differences between such objectives, principal strategies and policies, as well as the principal risks associated with such objectives, principal strategies and policies. For a complete description of the Acquiring Fund's principal strategies, policies and principal risks, you should read the Acquiring Fund Prospectus, which is included with this Prospectus/Information Statement.

Are there any significant differences between the investment objectives of the Target Fund compared to the Acquiring Fund?

The Target Fund seeks to provide a high level of current income while preserving capital and minimizing fluctuations in share value while the Acquiring Fund seeks total return through investments in fixed-income securities. The Target Fund's and Acquiring Fund's investment objectives are non-fundamental and may be changed by the Board without shareholder approval upon 60 days' written notice to shareholders.

Are there any significant differences between the principal strategies and policies of the Target Fund compared to the Acquiring Fund?

The principal strategies of the two Funds are similar in most respects, but differ in a couple of respects. Both Funds invest primarily in short-term investment-grade bonds. However, the Acquiring Fund may also invest in corporate debt securities issued by foreign companies and may invest up to 10 percent of its assets in high-yield bonds. Both Funds are managed by the same portfolio management team.

Target Fund

Under normal circumstances, the Target Fund invests at least 80% of its net assets in investment grade corporate bonds, U.S. government securities, and mortgage-backed and asset-backed securities. These securities may pay interest on either a fixed-rate or variable-rate basis. In choosing securities, the Target Fund's subadviser attempts to identify securities that, in its opinion, offer the best combination of yield, maturity and relative price performance, based on anticipated changes in interest rates and the price relationships among various types of fixed-income securities. The Target Fund is managed so that its duration will not exceed three years. The Target Fund's subadviser may sell securities in order to buy others that it believes will better serve the Target Fund's objective.

The Target Fund is classified as "diversified" under applicable federal law and will not concentrate its investments in any one industry.

Acquiring Fund

The Acquiring Fund invests primarily in bonds (or fixed income securities) which include:

- U.S. government securities;
- Corporate debt securities issued by U.S. or foreign companies that are in the four highest rating categories of nationally recognized rating agencies such as Moody's or S&P ("investment grade");
- Investment-grade fixed income securities backed by the interest and principal payments of various types of mortgages, known as mortgage-backed securities and
- Investment-grade fixed income securities backed by the interest and principal payments on loans for other types of assets, such as automobiles, houses, or credit cards, known as asset-backed securities.

Under normal circumstances, the Acquiring Fund will invest at least 80% of its net assets in fixed income securities. The Fund will maintain an average duration of between 1 and 3 years.

The Acquiring Fund may also invest up to 10% of its assets in issuers which are rated below Baa3 by Moody's and/or BBB- by S&P, but have a minimum rating of B3 by Moody's and/or B- by S&P at the time of investment (high-yield bonds, or "junk bonds"). In addition to these, the Acquiring Fund may invest in other types of debt securities.

The subadviser considers several factors when selecting securities for the Acquiring Fund's portfolio, including:

- An assessment of the future level of interest rates and inflation;
- Expectations for U.S. and global economic growth;
- Relative yields among securities in various market sectors and
- The yield to maturity, quality, liquidity and capital appreciation potential of individual securities.

The subadviser also considers the current state of a fixed-income security issuer and the possibility that an improvement or deterioration in its financial health may result in, respectively, an upgrade or downgrade of the issuer's credit rating. The subadviser may continue to hold a fixed-income security that has been downgraded if it believes it is in the best interest of the Acquiring Fund's shareholders. The subadviser may sell a security if, among other reasons, the credit quality of the security deteriorates significantly or if a better relative value can be obtained from another security.

The Acquiring Fund is classified as "diversified" under applicable federal law and will not concentrate its investments in any one industry.

How do the fundamental investment restrictions of the Target Fund differ from the Acquiring Fund?

The Funds have adopted identical fundamental investment restrictions. Neither Fund may change any of its fundamental investment restrictions without a prior Majority Vote of its shareholders (as defined below). The Acquiring Fund's fundamental investment restrictions are listed in the Acquiring Fund's Statement of Additional Information dated November 29, 2013 (1933 Act File No. 333-40455), which is incorporated by reference into the Statement of Additional Information relating to this Prospectus/Information Statement and is available upon request.

What are the principal risk factors associated with investments in the Funds?

Like all investments, an investment in either of the Funds involves risk. There is no assurance that the Funds will meet their investment objectives. A Fund's ability to achieve its objective will depend, among other things, on the portfolio managers' analytical and portfolio management skills. If the value of the Fund's investments goes down, you may lose money.

Investments in the Funds, as indicated below, are subject to the following principal risks:

Interest rate risk (Target Fund and Acquiring Fund) — generally, when interest rates go up, the value of fixed-income securities goes down. Prices of longer-term securities generally change more in response to interest rate changes than prices of shorter-term securities. To the extent a Fund invests a substantial portion of its assets in fixed-income securities with longer-term maturities, rising interest rates may cause the value of the Fund's investments to decline significantly.

Credit risk (Target Fund and Acquiring Fund) — a bond issuer may be unable to pay the interest or principal when due. If an issuer defaults, a Fund may lose money. This risk is particularly high for high-yield bonds, which is a principal investment for the Acquiring Fund. Changes in a bond issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the value of a bond.

Liquidity risk (Target Fund and Acquiring Fund) — when there is little or no active trading market for specific types of securities or instruments, it can become more difficult to sell the securities or instruments at or near their perceived value. An inability to sell a portfolio position can adversely affect a Fund's value or prevent the Fund from being able to take advantage of other investment opportunities. Liquidity risk also includes the risk that the Fund will experience significant net redemptions of its shares at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss. To meet redemption requests, the Fund may be forced to sell other securities or instruments that are more liquid, but at an unfavorable time and conditions.

Prepayment and call risk (Target Fund and Acquiring Fund) — certain bonds will be paid off by the issuer more quickly than anticipated. If this happens, the Fund may be required to invest the proceeds in securities with lower yields.

Mortgage-backed and asset-backed securities risks (Target Fund and Acquiring Fund) — these securities are generally subject to the same types of risk that apply to other fixed-income securities, such as interest rate risk, credit risk, and prepayment and call risk. Mortgage-backed securities are also subject to extension risk, which is the risk that when interest rates rise, certain mortgage-backed securities will be paid off by the issuer more slowly than anticipated. This can cause the market value of the security to fall because the market may view its interest rate as too low for a longer-term investment. Through its investments in mortgage-backed securities, the Fund may have some exposure to subprime loans, as well as to the mortgage and credit markets generally. Subprime loans, which are loans made to borrowers with weakened credit histories, generally have higher default rates than loans that meet government underwriting requirements. The credit quality of most asset-backed securities depends primarily on the credit quality of the assets underlying such securities, how well the entity issuing the security is insulated from the credit risk of the originator or any other affiliated entities, and the amount and quality of any credit enhancement of the securities.

High-yield bonds risk (Acquiring Fund) — investing in high-yield bonds and other lower-rated bonds will subject the Fund to substantial risk of loss due to issuer default, decline in market value due to adverse economic and business developments, or sensitivity to changing interest rates.

Foreign securities risk (Acquiring Fund) — foreign securities may be more volatile, harder to price and less liquid than U.S. securities. The prices of foreign securities may be further affected by other factors, such as changes in the exchange rates between the U.S. dollar and the currencies in which the securities are traded.

REASONS FOR THE TRANSACTION

NFA discussed the proposed reorganization of the Target Fund into the Acquiring Fund with the Fund's' Board at the Board's June 2014 meeting. NFA advised the Board that the Transaction offers Target Fund shareholders the opportunity to participate in a larger combined fund with a similar investment objective and similar investment policies and strategies as the Target Fund that is anticipated to have the potential for lower expenses as the result of fixed expenses being spread over the combined fund's larger asset base. In addition, following the Transaction, the Acquiring Fund, as the surviving fund, would be clearly identified as the Trust's short-term, investment-grade bond solution, marketed with its own performance record, increased assets and reduced operating expenses. Positioned as such, NFA believes that the Acquiring Fund can accelerate its inflow of new assets to the benefit of all shareholders.

The Board, including the Independent Trustees, of the Target Fund considered the following matters, among others, in unanimously approving the Transaction:

1. The similarities of the Target Fund's and Acquiring Fund's investment objective, principal strategies, policies, restrictions and principal risks;
2. The absolute and relative investment performance of the Funds as of March 31, 2014;
3. The relative risks of investing in each Fund;
4. The potential greater prospects of the larger combined fund for asset growth over time;
5. That after the Transaction, each share class of the combined fund is anticipated to have the same or lower expense ratios (on a net basis) than the corresponding share class of the Target Fund, and that the combined fund is anticipated to have the same or lower expense ratio (on a net basis) than the Target Fund after the Transaction;
6. The anticipated federal income tax consequences of the Transaction with respect to each Fund and its shareholders;
7. That the Target Fund and the Acquiring Fund are managed by the same portfolio management team, pursuant to similar strategies, and that the combined fund will continue to be managed by same portfolio management team, pursuant to the Acquiring Fund's current strategy, after the Transaction;
8. The agreement by NFA to bear the costs (excluding brokerage costs, if any) related to the Transaction, including the costs associated with the delivery of this Information Statement;
9. The potential alternatives to the reorganization, including liquidation of the Target Fund through the sale of the Fund's portfolio securities and distribution of the cash to its shareholders; and
10. Shares of the Target Fund will be exchanged for shares of the Acquiring Fund on the basis of their respective net asset values.

NFA advised the Board that the shareholders of the Acquiring Fund will benefit because of expense cap reductions agreed to by NFA in connection with the Transaction and may benefit from the Transaction as a result of the increase in size of the combined fund. The Board considered that the Transaction presents an opportunity for the Acquiring Fund to acquire investment assets without the need to pay brokerage commissions or other transaction costs that are normally associated with the purchase of securities.

Based on its review of these factors and the other information presented to it, and on the basis of NFA's recommendations, the Board, including all of the Trustees who are not "interested persons" (as defined in the 1940 Act) (the "Independent Trustees") of the Funds, determined that the Transaction would be in the best interests of each Fund and that the interests of existing shareholders of each Fund would not be diluted as a result of effecting the Transaction. The Board has unanimously approved the Transaction.

INFORMATION ABOUT THE TRANSACTION AND THE PLAN

This is only a summary of the Plan and is qualified in its entirety by the Plan. You should read the actual Plan relating to the Transaction, which is attached as Exhibit A to this Prospectus/Information Statement and is incorporated herein by reference.

How will the Transaction be carried out?

The Transaction will take place after the parties to the Plan satisfy various conditions. On the Closing Date, the Target Fund will deliver to the Acquiring Fund all of its respective assets. In exchange, the Trust, on behalf of the Target Fund, will receive the Acquiring Fund's shares to be distributed pro rata to the Target Fund's shareholders. The value of the assets to be delivered to the Acquiring Fund shall be the value of such assets computed as of the close of business of the New York Stock Exchange, Inc. ("NYSE") (normally 4:00 p.m., Eastern Time) on the last business day prior to the Closing Date.

The stock transfer books of the Target Fund will be permanently closed as of the close of business of the NYSE on the business day before the Closing Date. The Target Fund will accept requests for redemption only if received in proper form before that time. Requests received after that time will be considered requests to redeem shares of the Acquiring Fund.

To the extent permitted by law, the Plan may be amended at the direction of the Board. The Board may also agree to terminate and abandon the Transaction at any time or may terminate and abandon the Transaction if certain conditions required under the Plan have not been satisfied.

Who will pay the expenses of the Transaction?

The expenses related to the Transaction (approximately $89,300, excluding brokerage costs, if any), including the costs associated with the solicitation of proxies, will be paid by NFA. Brokerage costs, if any, following the merger will be paid by the Acquiring Fund, which ultimately are paid by all shareholders of the Acquiring Fund.

What are the tax consequences of the Transaction?

The following is a general summary of the material federal income tax consequences of the Transaction and is based upon the current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), the existing U.S. Treasury Regulations thereunder, current administrative rulings of the IRS and published judicial decisions, all of which are subject to change. These considerations are general in nature and individual shareholders should consult their own tax advisors as to the federal, state, local, and foreign tax considerations applicable to them and their individual circumstances. These same considerations generally do not apply to shareholders who hold their shares in a tax-deferred account.

The Transaction is intended to qualify as a tax-free reorganization for federal income tax purposes under Section 368(a)(1) of the Code. Based on certain assumptions and customary representations to be made on behalf of the Target Fund and Acquiring Fund, Stradley Ronon Stevens & Young, LLP (the Trust's legal counsel) will, as a condition to the closing of the Transaction, provide a legal opinion to the effect that, for federal income tax purposes, (i) shareholders of the Target Fund will not recognize any gain or loss as a result of the exchange of their shares of the Target Fund for shares of the Acquiring Fund, (ii) the Acquiring Fund will not recognize any gain or loss upon receipt by the Acquiring Fund of the Target Fund's assets, (iii) the Target Fund will not recognize any gain or loss upon the transfer of its assets to the Acquiring Fund in exchange for shares of the Acquiring Fund or upon the distribution of those Acquiring Fund shares to the shareholders of the Target Fund, (iv) the basis of the assets of the Target Fund received by the Acquiring Fund will be the same as the basis of those assets in the hands of the Target Fund immediately prior to the Transaction, and the Acquiring Fund's holding period in such assets will include the period during which such assets were held by the Target Fund and (v) the holding period and aggregate tax basis of the Acquiring Fund shares that are received by a Target Fund shareholder will be the same as the holding period and aggregate tax basis of the shares of the Target Fund previously held by such shareholder. Such opinion of counsel may state that no opinion is expressed as to the effect of the Transaction on the Funds or any shareholder with respect to any transferred asset as to which any unrealized gain or loss is required to be recognized for federal income tax purposes on the termination or transfer thereof under a mark-to-market system of accounting.

Opinions of counsel are not binding upon the IRS or the courts. If the Transaction is consummated but does not qualify as a tax-free reorganization under the Code, and thus is taxable, the Target Fund would recognize gain or loss on the transfer of its assets to the Acquiring Fund and each shareholder of the Target Fund would recognize a taxable gain or loss equal to the difference between its tax basis in its the Target Fund Shares and the fair market value of the Acquiring Fund Shares it received. The failure of the Enhanced Income Fund Reorganization to qualify as a tax-free reorganization would not adversely affect the Transaction.

Target Fund Dividend Distribution. Prior to the closing of the Transaction, the Target Fund will distribute to its shareholders, in one or more taxable distributions, all of its income and gains (net of available capital loss carryovers) not previously distributed for taxable years ending on or prior to the date of closing of the Transaction.

General Limitations on Capital Losses. The tax attributes, including capital loss carryovers, of the Target Fund move to the Acquiring Fund in the Transaction. Additionally, the tax attributes, including capital loss carryovers, of the Enhanced Income Fund move to the Acquiring Fund in the Enhanced Income Fund Reorganization. The capital loss carryovers of the Target Fund, the Enhanced Income Fund, and the Acquiring Fund are available to offset future gains recognized by the combined Fund, subject to limitations under the Code. Where these limitations apply, all or a portion of a Fund's capital loss carryovers may become unavailable the effect of which may be to accelerate the recognition of taxable gain to the combined Fund and its shareholders post-closing. These limitations are expected to apply to the capital loss carryovers of each Fund. Additionally, the Transaction may result in an earlier expiration of the Target Fund's capital loss carryovers because the Transaction causes the Target Fund's tax year to close early in the year of the Transaction. The aggregate capital loss carryovers of the Funds and the approximate annual limitation on the use by the Acquiring Fund, post-closing, of the Funds' capital loss carryovers following the Transaction and Enhanced Income Fund Reorganization are as follows:

Line		Target Fund	Enhanced Income Fund	Acquiring Fund
		as of 4/30/2014	as of 4/30/2014	as of 4/30/2014
1	Capital loss carryovers expiring 2016-2017 (1)	(135,829)	(1,927,671)	0
2	Realized gain (loss) (2)	187,758	140,519	224,004
3	Aggregate capital loss carryovers (L1 + L2)	51,929	(1,787,152)	224,004
4	Unrealized net appreciation (depreciation) in value of investments on a tax basis	(129,852)	96,856	716,482
5	Unrealized appreciation (depreciation) in investments as a percentage of net asset value [L4 / L6]	(0.1666%)	0.0509%	0.3232%
6	Net Asset Value (3)	77,960,230	14,513,319	221,665,426

		Target Fund	Enhanced Income Fund	Acquiring Fund
		as of 4/30/2014	as of 4/30/2014	as of 4/30/2014
7	Long-term tax-exempt rate (June 2014) (4)	3.32%	3.32%	3.32%
8	Approximate annual limitation [L6 x L7] (5)	2,588,280	481,842	7,359,292

1. As of the Target Fund's and Enhanced Income Fund's fiscal year ended October 31, 2013; as of the Acquiring Fund's fiscal year ended July 31, 2013.
2. For the six months ended April 30, 2014 for the Target Fund and Enhanced Income Fund, and the six months ended January 31, 2014, for the Acquiring Fund; calculated using generally accepted accounting principles (GAAP).
3. The Enhanced Income Fund's net asset value is reduced by $176 million to account for the redemptions by the ID Funds.
4. The long-term tax-exempt rate for a particular month is used to compute the annual limitation on the use of capital loss carryovers following a "change in ownership" during such month. It is published monthly by the IRS.
5. The limitation will be increased by the amount of any built-in gain, i.e., unrealized appreciation in value of investments, of the Target Fund on the Closing Date, that is recognized in a taxable year.

State and Local Taxes. You should consult your tax advisor about the state and local tax consequences, if any, of the Transaction because this discussion only relates to the federal income tax consequences.

What should I know about shares of the Target Fund and Acquiring Fund?

Upon the Closing of the Transaction, Class A and Service Class shares, Class C shares, Institutional Class shares and Institutional Service Class shares of the Target Fund will merge with and into Class A, Class C, Institutional Class and Institutional Service Class shares, respectively, of the Acquiring Fund. The different fees and expenses of each Class are provided above in the section "Fee Tables for the Target Fund and Acquiring Fund."

Full and fractional shares of the Acquiring Fund will be distributed to shareholders of the Target Fund in accordance with the procedures described above. When issued, each share will be validly issued, fully paid, non-assessable and have full voting rights. The shares of the Acquiring Fund will be recorded electronically in each shareholder's account. The Acquiring Fund will then send a confirmation to each shareholder. The Acquiring Fund shares to be issued in the Transaction have the same rights and privileges as your shares of the Target Fund.

Like the Target Fund, the Acquiring Fund does not routinely hold annual meetings of shareholders. The Acquiring Fund may hold special meetings for matters requiring shareholder approval. A meeting of the Acquiring Fund's shareholders may also be called at any time by the Chairperson, the President of the Trust, in the absence of the Chairperson, or any Vice President or other authorized officer of the Trust, in the absence of the Chairperson and the President.

What are the capitalizations of the Funds and what might the capitalization be after the Transaction?

The following table sets forth, as of January 31, 2014**,** the separate capitalizations of the Target Fund and Acquiring Fund, and the estimated capitalization of the Acquiring Fund as adjusted to give effect to the Transaction. The capitalization of the Acquiring Fund is likely to be different if and when the Transaction is actually consummated.

	Target Fund (unaudited)	Acquiring Fund (unaudited)	Pro Forma Adjustments to Capitalization[1]	Acquiring Fund after Transaction[1,2] (estimated) (unaudited)
Net assets (all classes)	86,393,102	201,817,367	—	288,210,469
Total shares outstanding	8,568,339	20,086,456	42,247	28,697,042
Class A net assets	41,573,602	44,479,262	—	86,052,864
Class A shares outstanding	4,123,124	4,437,331	25,938	8,586,393
Class A net asset value per share	10.08	10.02	—	10.02
Service Class net assets	26,931,253		—	26,931,253
Service Class shares outstanding	2,671,658		16,092	2,687,750
Service Class net asset value per share	10.08		—	10.02
Class C net assets	7,339,947	22,186,809	—	29,526,756
Class C shares outstanding	727,352	2,186,577	(4,205)	2,909,724
Class C net asset value per share	10.09	10.15	—	10.15
Institutional Class net assets	10,548,300	48,754,895	—	59,303,195
Institutional Class shares outstanding	1,046,205	4,854,622	4,422	5,905,249
Institutional Class net asset value per share	10.08	10.04	—	10.04
Institutional Service Class net assets		86,396,401	—	86,396,401
Institutional Service Class shares outstanding		8,607,926	—	8,607,926
Institutional Service Class net asset value per share		10.04	—	10.04

1 Reflects the conversion of Target Fund shares for Acquiring Fund shares as a result of the Transaction.
2 Assumes the Transaction was consummated on January 31, 2014.

The following table sets forth, as of January 31, 2014**,** the separate capitalizations of the Target Fund, Acquiring Fund, and the Enhanced Income Fund, and the estimated capitalization of the Acquiring Fund as adjusted to give effect to the Transaction combined with the Enhanced Income Fund Reorganization. The capitalization of the Acquiring Fund is likely to be different if and when the Transaction is actually consummated.

	Target Fund (unaudited)	Acquiring Fund (unaudited)	Enhanced Income Fund (unaudited)	Pro Forma Adjustments to Capitalization[3]	Acquiring Fund after Transaction with Target Fund and Enhanced Income Fund[3,4] (estimated) (unaudited)
Net assets (all classes)	86,393,102	201,817,367	233,960,186	—	522,170,655
Total shares outstanding	8,568,339	20,086,455	26,316,118	(2,968,514)	52,002,398
Class A net assets	41,573,602	44,479,262	12,811,589	—	98,864,453
Class A shares outstanding	4,123,124	4,437,331	1,440,516	(135,976)	9,864,995
Class A net asset value per share	10.08	10.02	8.89	—	10.02
Service Class net assets	26,931,253			—	26,931,253
Service Class shares outstanding	2,671,658			16,092	2,687,750
Service Class net asset value per share	10.08			—	10.02

	Target Fund (unaudited)	Acquiring Fund (unaudited)	Enhanced Income Fund (unaudited)	Pro Forma Adjustments to Capitalization[3]	Acquiring Fund after Transaction with Target Fund and Enhanced Income Fund[3,4] (estimated) (unaudited)
Class R net assets			8,974	—	8,974
Class R shares outstanding			1,009	(113)	896
Class R net asset value per share			8.89		10.02
Class C net assets	7,339,947	22,186,809		—	29,526,756
Class C shares outstanding	727,352	2,186,577		(4,205)	2,909,724
Class C net asset value per share	10.09	10.15		—	10.15
Institutional Class net assets	10,548,300	48,754,895	221,129,586	—	280,432,781
Institutional Class shares outstanding	1,046,205	4,854,622	24,873,466	(2,844,184)	27,930,109
Institutional Class net asset value per share	10.08	10.04	8.89	—	10.04
Institutional Service Class net assets		86,396,401	10,037	—	86,406,438
Institutional Service Class shares outstanding		8,607,925	1,127	(128)	8,608,924
Institutional Service Class net asset value per share		10.04	8.90	—	10.04

3 Reflects the conversion of Target Fund shares and the shares of the Enhanced Income Fund for Acquiring Fund shares as a result of the Transaction and the Enhanced Income Fund Reorganization.

4 Assumes the Transaction and Enhanced Income Fund Reorganization was consummated on February 1, 2013.

MORE INFORMATION ABOUT THE FUNDS

Fund Administration and Transfer Agency Services. Under the terms of a Joint Fund Administration and Transfer Agency Agreement (the "Joint Administration Agreement") dated May 1, 2010, Nationwide Fund Management LLC ("NFM"), an indirect wholly owned subsidiary of NFS, provides various administration and accounting services to the Funds and Nationwide Variable Insurance Trust (another trust also advised by NFA), including daily valuation of the Funds' shares, preparation of financial statements, tax returns, and regulatory reports, and presentation of quarterly reports to the Board of Trustees. NFM also serves as transfer agent and dividend disbursing agent for each of the Funds. NFM is located at 1000 Continental Drive, Suite 400, King of Prussia, PA 19406. Under the Joint Administration Agreement, NFM is paid an annual fee for fund administration and transfer agency services based on the sum of the following: (i) the amount payable by NFM to J.P. Morgan Chase Bank, N.A. ("JPMorgan") under the Sub-Administration Agreement between NFM and JPMorgan (see "Sub-Administration" below) and (ii) the amount payable by NFM to U.S. Bancorp Fund Services, LLC ("US Bancorp") under the Sub-Transfer Agent Servicing Agreement between NFM and US Bancorp (see "Sub-Transfer Agency" below); and (iii) a percentage of the combined average daily net assets of the Trust and Nationwide Variable Insurance Trust. In addition, the Trust also pays out-of-pocket expenses reasonably incurred by NFM in providing services to the Funds and Trust, including, but not limited to, the cost of pricing services that NMF utilizes.

Custodian. JPMorgan Chase Bank, 270 Park Avenue, New York, NY 10008, is the Custodian for the Funds and makes all receipts and disbursements under a Custody Agreement. The Custodian performs no managerial or policy making functions for the Funds.

Additional Information. More information about the Acquiring Fund or Target Fund (1933 Act File No. 333-40455 for the Acquiring Fund and Target Fund) is incorporated herein by reference and considered a part of this Prospectus/Information Statement; (ii) the prospectus for the Target Fund dated March 1, 2014, which is incorporated by reference herein; (iii) the Acquiring Fund's Statement of Additional Information dated November 29, 2013, related to the Acquiring Fund Prospectus and Target Fund's Statement of Additional Information dated March 1, 2014, related to the Target Fund Prospectus ; (iv) the Statement of Additional Information dated August 12, 2014 (relating to this Prospectus/Information Statement), which has been filed with the SEC and is incorporated by reference herein; (v) the Acquiring Fund's Annual Report to Shareholders for the year ended July 31, 2013, or Target Fund's Annual Report to Shareholders for the year ended October 31, 2013, as applicable; and (vi) the Acquiring Fund's or Target Fund's Semiannual Report to Shareholders for the period ended January 31, 2014, and April 30, 2014, respectively. You may request free copies of the Statements of Additional Information (including any supplements), the Annual Reports and/or Semiannual Reports, which have been or will be filed with the SEC, by calling (800) 848-0920 or by writing to the Trust: 1000 Continental Drive, Suite 400, King of Prussia, Pennsylvania 19406.

This Prospectus/Information Statement, which constitutes part of a Registration Statement filed by the Acquiring Fund with the SEC under the Securities Act of 1933, as amended, omits certain of the information contained in such Registration Statement. Reference is hereby made to the Registration Statement and to the exhibits and amendments thereto for further information with respect to the Acquiring Fund and the shares it offers. Statements contained herein concerning the provisions of documents are necessarily summaries of such documents, and each such statement is qualified in its entirety by reference to the copy of the applicable document filed with the SEC.

Each Fund also files proxy materials, reports, and other information with the SEC in accordance with the informational requirements of the Securities Exchange Act of 1934, as amended, and the 1940 Act. These materials can be inspected and copied at the public reference facilities maintained by the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549 (call 202-551-8090 for hours of operation). Also, copies of such material can be obtained from the Public Reference Branch, Office of Consumer Affairs and Information Services, SEC, Washington, D.C. 20549, at prescribed rates or from the SEC's Internet site at www.sec.gov. To request information regarding the Funds, you may also send an e-mail to the SEC at publicinfo@sec.gov.

EXHIBITS TO
INFORMATION STATEMENT/PROSPECTUS

Exhibit	
A	Form of Plan of Reorganization for the Target Fund
B	Financial Highlights

EXHIBIT A
FORM OF

PLAN OF REORGANIZATION

This PLAN OF REORGANIZATION (the “Plan”), made as of this day of , 2014 is adopted by Nationwide Mutual Funds (the “Trust”), a statutory trust created under the laws of the State of Delaware, with its principal place of business at 1000 Continental Drive, Suite 400, King of Prussia, Pennsylvania 19406, on behalf of two of its series, as set forth below:

Nationwide Short Duration Bond Fund (the “Acquired Fund”)	Nationwide HighMark Short Term Bond Fund (the “Acquiring Fund”)
Class A	Class A
Service Class	
Class C	Class C
Institutional Class	Institutional Class
Institutional Service Class	Institutional Service Class

The reorganization (hereinafter referred to as the “Reorganization”) will consist of: (i) the acquisition by the NMF Trust on behalf of the Acquiring Fund of substantially all of the property, assets and goodwill of the Acquired Fund in exchange solely for the corresponding class of shares of common stock listed in the table above, no par value, of the Acquiring Fund; (ii) the assumption by the Acquiring Fund of all of the liabilities of the Acquired Fund; (iii) the distribution of each class of the Acquiring Fund’s shares to the shareholders of its corresponding class of shares of the Acquired Fund, according to their respective interests, in complete liquidation of the Acquired Fund; and (iv) the liquidation and dissolution of the Acquired Fund as soon as practicable after the closing (as referenced in Section 3 hereof, hereinafter called the “Closing”), all upon and subject to the terms and conditions of this Plan hereinafter set forth.

1. **Sale and Transfer of Assets, Liquidation and Dissolution of the Acquired Fund**

(a) Subject to the terms and conditions of this Plan, the Trust, on behalf of the Acquired Fund, will sell, assign, convey, transfer and deliver to the Acquiring Fund, at the Closing provided for in Section 3, all of the then existing assets of the Acquired Fund as of the close of business (which hereinafter shall be, unless otherwise noted, the regular close of business of the New York Stock Exchange, Inc. (“NYSE”)) (“Close of Business”) on the valuation date (as defined in Section 3 hereof, hereinafter called the “Valuation Date”), free and clear of all liens, encumbrances, and claims whatsoever (other than shareholders’ rights of redemption and such restrictions as might arise under the Securities Act of 1933, as amended (the “1933 Act”), with respect to privately placed or otherwise restricted securities that the Acquired Fund may have acquired in the ordinary course of business), except for cash, bank deposits, or cash equivalent securities in an estimated amount necessary (1) subject to clause (2), to discharge all of the Acquired Fund’s Liabilities (as defined below) on its books at the Close of Business on the Valuation Date including, but not limited to, its income dividends and capital gains distributions, if any, payable for any period prior to, and through, the Close of Business on the Valuation Date, and (2) to pay such contingent liabilities as the trustees of the Trust shall reasonably deem to exist against the Acquired Fund, if any, at the Close of Business on the Valuation Date, for which contingent and other appropriate liability reserves shall be established on the books of the Acquired Fund (hereinafter “Net Assets”). The Acquired Fund shall also retain any and all rights that it may have over and against any person that may have accrued up to and including the Close of Business on the Valuation Date. The Trust shall use commercially reasonable efforts to identify all of the Acquired Fund’s liabilities, debts, obligations and duties of any nature, whether accrued absolute, contingent or otherwise (“Liabilities”), prior to the Valuation Date and shall discharge all such known Liabilities on or prior to the Valuation Date. To the extent that any Acquired Fund Liabilities are not discharged on or prior to the Valuation Date, the Acquiring Fund shall assume such Liabilities.

(b) Subject to the terms and conditions of this Plan, the Trust shall deliver to the Acquired Fund the number of shares of each class of the Acquiring Fund determined by dividing the net asset value per share of the corresponding share class of the Acquired Fund as of Close of Business on the Valuation date by the net asset value per share of the corresponding class of the Acquiring Fund as of Close of Business on the Valuation Date, and multiplying the result by the number of outstanding shares of the corresponding Acquired Fund class as of Close of Business on the Valuation Date, provided, however, that the number of each class of shares of the Acquiring Fund to be so issued shall not exceed the number of shares determined by dividing the total net assets of the Acquired Fund, determined as of the Valuation Date, attributable to each class of shares of the Acquired Fund whose shareholders are receiving such shares, by the net asset value per share of the corresponding class of the Acquiring Fund as of the Valuation Date. Each class of shares of the Acquiring Fund received shall be distributed pro rata to the shareholders of the corresponding class of the Acquired Fund of record as of the Close of Business on the Valuation Date.

(c) As soon as practicable following the Closing, the Trust shall dissolve the Acquired Fund and distribute pro rata to the Acquired Fund's shareholders of record as of the Close of Business on the Valuation Date, the shares of beneficial interest of the Acquiring Fund received by the Acquired Fund pursuant to this Section 1. Such dissolution and distribution shall be accomplished by the establishment of accounts on the share records of the Acquiring Fund of the type and in the amounts due such shareholders pursuant to this Section 1 based on their respective holdings of shares of the Acquired Fund as of the Close of Business on the Valuation Date. Fractional shares of beneficial interest of the Acquiring Fund shall be carried to the third decimal place. No certificates representing shares of beneficial interest of the Acquiring Fund will be issued to shareholders of the Acquired Fund irrespective of whether such shareholders hold their shares in certificated form.

(d) At the Closing, any outstanding certificate that, prior to Closing, represented shares of beneficial interest of the Acquired Fund, shall be cancelled and shall no longer evidence ownership thereof.

(e) At the Closing, each shareholder of record of the Acquired Fund as of the record date (the "Distribution Record Date") with respect to any unpaid dividends and other distributions that were declared prior to the Closing, including any dividend or distribution declared pursuant to Section 9(d) hereof, shall have the right to receive such unpaid dividends and distributions with respect to the shares of the Acquired Fund that such person had on such Distribution Record Date.

2. **Valuation**

(a) The value of the Acquired Fund's Net Assets to be acquired by the Acquiring Fund hereunder shall be computed as of the Close of Business on the Valuation Date using the valuation procedures set forth in the Acquiring Fund's currently effective prospectus and statement of additional information.

(b) The net asset value of a share of beneficial interest of the Acquiring Fund Class A Shares, Acquiring Fund Class C Shares, Acquiring Fund Institutional Class Shares, and Acquiring Fund Institutional Service Class Shares shall be determined to the nearest full cent as of the Close of Business on the Valuation Date using the valuation procedures set forth in the Acquiring Fund's currently effective prospectus and statement of additional information.

(c) The net asset value of a share of beneficial interest of the Acquired Fund Class A Shares, Acquired Fund Service Class Shares, Acquired Fund Class C Shares, Acquired Fund Institutional Class Shares, and Acquired Fund Institutional Service Class Shares shall be determined to the nearest full cent as of the Close of Business on the Valuation Date, using the valuation procedures as set forth in the Acquiring Fund's currently effective prospectus and statement of additional information.

3. **Closing and Valuation Date**

The Valuation Date shall be October 10, 2014 or such later date as the Trust may designate. The Closing shall take place at the principal office of the Trust, at 1000 Continental Drive, Suite 400, King of Prussia, Pennsylvania 19406, at approximately 9:00 a.m., Eastern time, on the first business day following the Valuation Date. Notwithstanding anything herein to the contrary, in the event that on the Valuation Date (a) the NYSE shall be closed to trading or trading thereon shall be restricted or (b) trading or the reporting of trading on such exchange or elsewhere shall be disrupted so that, in the judgment of the Trust, accurate appraisal of the value of the net assets of the Acquired Fund or the Acquiring Fund is impracticable, the Valuation Date shall be postponed until the first business day after the day when trading shall have been fully resumed without restriction or disruption, reporting shall have been restored and accurate appraisal of the value of the net assets of the Acquired Fund and the Acquiring Fund is practicable in the judgment of the Trust. The Trust shall have provided for delivery as of the Closing of those Net Assets of the Acquired Fund to be transferred to the Acquiring Fund's Custodian, JPMorgan Chase Bank, 270 Park Avenue, New York, NY 10008. Also, the Trust shall deliver at the Closing a list (which may be in electronic form) of names and addresses of the shareholders of record of its Acquired Fund Shares, and the number of full and fractional shares of beneficial interest of such classes owned by each such shareholder, indicating thereon which such shares are represented by outstanding certificates and which by book-entry accounts, all as of the Close of Business on the Valuation Date, certified by its transfer agent, or by its President or Vice-President to the best of their knowledge and belief. The Trust shall issue and deliver a certificate or certificates evidencing the registered shares of the Acquiring Fund to be delivered at the Closing to said transfer agent or provide evidence that such shares of beneficial interest of the Acquiring Fund have been registered in an open account on the books of the Acquiring Fund.

4. **Necessary Findings of Fact by the Trust on behalf of the Acquired Fund**

The Trust hereby designates the following findings of fact as a necessary pre-condition to the consummation of the Reorganization:

(a) The Trust is authorized to issue an unlimited number of shares of beneficial interest of the Acquired Fund, without par value. Each outstanding share of the Acquired Fund is validly issued, fully paid, non-assessable and has full voting rights.

(b) The financial statements appearing in the Acquired Fund's Annual Report to Shareholders for the fiscal year ended October 31, 2013, and any subsequent financial statements, audited by PricewaterhouseCoopers LLP, and any unaudited financial statements, fairly present the financial position of the Acquired Fund as of the date indicated, and the results of its operations for the period indicated, in conformity with generally accepted accounting principles applied on a consistent basis.

(c) The books and records of the Acquired Fund, including FASB ASC 740-10-25 (formerly FIN 48) work papers and supporting statements ("FIN 48 Workpapers"), made available to the Acquiring Fund are true and correct in all material respects and contain no material omissions with respect to the business and operations of the Acquired Fund.

(d) The statement of assets and liabilities to be furnished by the Trust as of the Close of Business on the Valuation Date for the purpose of determining the number of shares of beneficial interest of the Acquiring Fund to be issued pursuant to Section 1 hereof will accurately reflect the Net Assets of the Acquired Fund and outstanding shares of beneficial interest, as of such date, in conformity with generally accepted accounting principles applied on a consistent basis.

(e) At the Closing, the Trust, on behalf of the Acquired Fund, will have good and marketable title to all of the securities and other assets shown on the statement of assets and liabilities referred to in subsection (d) above, free and clear of all liens or encumbrances of any nature whatsoever except such restrictions as might arise under the 1933 Act with respect to privately placed or otherwise restricted securities that it may have acquired in the ordinary course of business and such imperfections of title or encumbrances as do not materially detract from the value or use of the assets subject thereto, or materially affect title thereto.

(f) The Trust has elected to treat the Acquired Fund as a regulated investment company ("RIC") for federal income tax purposes under Part I of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), the Acquired Fund is a "fund" as defined in Section 851(g)(2) of the Code, has qualified for treatment as a RIC for each taxable year since its inception, and will so qualify as a RIC as of the Closing, and the consummation of the transaction contemplated by the Plan will not cause the Acquired Fund to fail to qualify as a RIC as of the Closing. The Acquired Fund has no earnings and profits accumulated in any taxable year in which the provisions of Subchapter M of the Code did not apply to it.

(g) There are no material contracts outstanding to which the Acquired Fund is a party, other than as disclosed in the Acquired Fund's registration statement on Form N-1A filed with the Securities and Exchange Commission (the "Commission") or the Acquired Fund's Prospectus.

(h) The Acquired Fund will declare prior to the Valuation Date and pay before the date of the Closing, a dividend or dividends with a record and ex-dividend date on or prior to such Valuation Date that, together with all previous dividends, shall have the effect of distributing to its shareholders (A) all of the Acquired Fund's investment company taxable income (determined without regard to any deductions for dividends paid) for the taxable year ended prior to the date of the Closing and substantially all of such investment company taxable income for the short taxable year beginning on the first day of its current taxable year and ending on the date of the Closing, and (B) all of the Acquired Fund's net capital gain recognized in its taxable year ended prior to the date of the Closing and substantially all of any such net capital gain recognized in such short taxable year (in each case after reduction for any capital loss carryover).

5. **Necessary Findings of Fact by the Trust on behalf of the Acquiring Fund**

The Trust hereby designates the following findings of fact as a necessary pre-condition to the consummation of the Reorganization:

(a) The Trust is authorized to issue an unlimited number of shares of beneficial interest, without par value, of the Acquiring Fund. Each outstanding share of the Acquiring Fund is fully paid, non-assessable and has full voting rights. The shares of beneficial interest of the Acquiring Fund to be issued pursuant to Section 1 hereof will, upon their issuance, be validly issued and fully paid and non-assessable, and have full voting rights.

(b) At the Closing, each class of shares of beneficial interest of the Acquiring Fund to be issued pursuant to this Plan will be eligible for offering to the public in those states of the United States and jurisdictions in which the corresponding class of shares of the Acquired Fund are presently eligible for offering to the public, and there are an unlimited number of shares registered under the 1933 Act such that there is a sufficient number of such shares to permit the transfers contemplated by this Plan to be consummated.

(c) The statement of assets and liabilities of the Acquiring Fund to be furnished by the Trust as of the Close of Business on the Valuation Date for the purpose of determining the number of shares of beneficial interest of the Acquiring Fund to be issued pursuant to Section 1 hereof will accurately reflect the net assets of the Acquiring Fund and outstanding shares of beneficial interest, as of such date, in conformity with generally accepted accounting principles applied on a consistent basis.

(d) At the Closing, the Trust will have good and marketable title to all of the securities and other assets shown on the statement of assets and liabilities referred to in subsection (c) above, free and clear of all liens or encumbrances of any nature whatsoever except such restrictions as might arise under the 1933 Act with respect to privately placed or otherwise restricted securities that it may have acquired in the ordinary course of business and such imperfections of title or encumbrances as do not materially detract from the value or use of the assets subject thereto, or materially affect title thereto.

(e) The books and records of the Acquiring Fund, including FASB ASC 740-10-25 (formerly FIN 48) work papers and supporting statements ("FIN 48 Workpapers"), made available to the Acquired Fund are true and correct in all material respects and contain no material omissions with respect to the business and operations of the Acquiring Fund.

(f) The Trust has elected to treat the Acquiring Fund as a RIC for federal income tax purposes under Part I of Subchapter M of the Code, the Acquiring Fund will be a "fund" as defined in Section 851(g)(2) of the

Code, has qualified for treatment as a RIC for each taxable year since its inception, and will so qualify as a RIC as of the Closing, and the consummation of the transaction contemplated by the Plan will not cause the Acquiring Fund to fail to qualify as a RIC from and after the Closing. The Acquiring Fund has no earnings and profits accumulated in any taxable year in which the provisions of Subchapter M of the Code did not apply to it.

(g) There are no material contracts outstanding to which the Acquiring Fund is a party, other than as disclosed in the Acquiring Fund's registration statement on Form N-1A filed with the Commission or the Acquiring Fund's Prospectus.

6. **Necessary Findings of Fact by the Trust on behalf of the Acquired Fund and the Acquiring Fund**

The Trust hereby designates the following findings of fact as a necessary pre-condition to the consummation of the Reorganization:

(a) The Trust is a statutory trust created under the laws of the State of Delaware on September 1, 2004, and is validly existing and in good standing under the laws of that state. The Trust, of which the Acquired Fund and the Acquiring Fund are separate series, is duly registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end, management investment company. Such registration is in full force and effect as of the date hereof and will be in full force and effect as of the Closing and all of its shares sold have been sold pursuant to an effective registration statement filed under the 1933 Act, except for any shares sold pursuant to the private offering exemption for the purpose of raising initial capital.

(b) The Trust has the necessary trust power and authority to conduct its business and the business of the Acquired Fund and Acquiring Fund as such businesses are now being conducted.

(c) The Trust is not a party to or obligated under any provision of its Amended and Restated Agreement and Declaration of Trust ("Agreement and Declaration of Trust"), By-Laws, or any material contract or any other material commitment or obligation, and is not subject to any order or decree that would be violated by its execution of or performance under this Plan.

(d) The Trust has full trust power and authority to enter into and perform its obligations under this Plan. Except as provided in the immediately preceding sentence, the execution, delivery and performance of this Plan have been validly authorized, and this Plan constitutes its legal and valid obligation.

(e) The Acquired Fund does not have any unamortized or unpaid organizational fees or expenses.

(f) Neither the Trust, the Acquired Fund nor the Acquiring Fund is under the jurisdiction of a court in a Title 11 or similar case within the meaning of Section 368(a)(3)(A) of the Code.

(g) There are no legal, administrative or other proceedings or investigations against the Trust, the Acquired Fund or the Acquiring Fund, or, to the Trust's knowledge, threatened against any of them, that would materially affect their financial condition or their ability to consummate the transactions contemplated by this Plan. The Trust, the Acquired Fund and the Acquiring Fund are not charged with or, to the Trust's knowledge, threatened with, any violation or investigation of any possible violation of any provisions of any federal, state or local law or regulation or administrative ruling relating to any aspect of its business.

(h) The Trust has duly filed, on behalf of the Acquired Fund and the Acquiring Fund, as applicable, all Tax (as defined below) returns and reports (including information returns) that are required to have been filed by the Acquired Fund and the Acquiring Fund, respectively, and all such returns and reports accurately state, in all materials respects, the amount of Tax owed for the periods covered by the returns, or, in the case of information returns, the amount and character of income required to be reported by the Acquired Fund or the Acquiring Fund, as applicable. The Trust has, on behalf of each of the Acquired Fund and the Acquiring Fund, paid or made provision and properly accounted for all Taxes (as defined below) shown to be due on such Tax returns and reports or on any actual or proposed deficiency assessments received with respect to the Acquired Fund or the

Acquiring Fund. The amounts established as provisions for Taxes in the books and records of each of the Acquired Fund and the Acquiring Fund as of the Close of Business on the Valuation Date will, to the extent required by generally accepted accounting principles, be sufficient for the payment of all Taxes of any kind, whether accrued, due, absolute, contingent or otherwise, which were or will be payable by the Acquired Fund or the Acquiring Fund, as applicable, for all periods or fiscal years (or portions thereof) ending on or before the Close of Business on the Valuation Date. No Tax return filed by the Trust on behalf of the Acquired Fund or the Acquiring Fund is currently being audited by the Internal Revenue Service or by any state or local taxing authority. To the knowledge of the Trust, there are no levies, liens or encumbrances relating to Taxes existing, threatened or pending with respect to the assets of either the Acquired Fund or the Acquiring Fund. As used in this Plan, "Tax" or "Taxes" means all federal, state, local and foreign (whether imposed by a country or political subdivision or authority thereunder) income, gross receipts, excise, sales, use, value added, employment, franchise, profits, property, ad valorem or other taxes, stamp taxes and duties, fees, assessments or charges, whether payable directly or by withholding, together with any interest and any penalties, additions to tax or additional amounts imposed by any taxing authority (foreign or domestic) with respect thereto.

(i) All information provided by the Trust for inclusion in, or transmittal with, the prospectus and statement of additional information with respect to this Plan pursuant to which the Acquired Fund shareholders will be informed of the Reorganization, shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(j) No consent, approval, authorization or order of any court or governmental authority, or of any other person or entity, is required for the consummation of the transactions contemplated by this Plan, except as may be required by the 1933 Act, the Securities Exchange Act of 1934, as amended (the "1934 Act"), the 1940 Act, or state securities laws or Delaware statutory trust laws (including, in the case of each of the foregoing, the rules and regulations thereunder).

7. **Obligations of the Trust on behalf of the Acquired Fund**

(a) The Trust shall operate the business of the Acquired Fund as presently conducted between the date hereof and the Closing.

(b) The Trust, on behalf of the Acquired Fund, shall not acquire the shares of beneficial interest of the Acquiring Fund for the purpose of making distributions thereof other than to the Acquired Fund's shareholders.

(c) The Trust shall file, by the date of the Closing, all of the Acquired Fund's federal and other Tax returns and reports required by law to be filed on or before such date and all federal and other Taxes shown as due on said returns shall have either been paid or adequate liability reserves shall have been provided for the payment of such Taxes.

(d) At the Closing, the Trust shall provide:

(1) A statement of the respective tax basis of all investments to be transferred by the Acquired Fund to the Acquiring Fund.

(2) A copy (which may be in electronic form) of the Acquired Fund's shareholder ledger accounts including, without limitation, the name, address and taxpayer identification number of each shareholder of record, the number of shares of beneficial interest held by each shareholder, the dividend reinvestment elections applicable to each shareholder, the backup withholding and nonresident alien withholding certifications, notices or records on file with the Acquired Fund with respect to each shareholder, and such information as the Acquiring Fund may reasonably request concerning Acquired Fund shares or Acquired Fund shareholders in connection with Acquiring Fund's cost basis reporting and related obligations under Sections 1012, 6045, 6045A, and 6045B of the Code and related regulations issued by the United States Department of the Treasury (the "Treasury Regulations")

following the Closing for all of the shareholders of record of the Acquired Fund's shares as of the Close of Business on the Valuation Date, who are to become holders of the Acquiring Fund as a result of the transfer of assets that is the subject of this Plan, certified by its transfer agent or its President or its Vice-President to the best of their knowledge and belief.

(3) A copy of any other Tax books and records of the Acquired Fund necessary for purposes of preparing any Tax returns, schedules, forms, statements or related documents (including but not limited to any income, excise or information returns, as well as any transfer statements (as described in Treas. Reg. § 1.6045A-1)) required by law to be filed by the Acquiring Fund after the Closing.

(4) If requested by the Acquiring Fund, all FASB ASC 740-10-25 (formerly, FIN 48) work papers and supporting statements pertaining to the Acquired Fund.

(e) The Trust shall mail to each shareholder of record of the Acquired Fund as of the Valuation Date a prospectus and statement of additional information that complies in all material respects with the requirements of Form N-14.

(f) At the Closing, the Trust shall provide the statement of the assets and liabilities described in Section 4(d) of this Plan in conformity with the requirements described in such Section.

(g) The Acquired Fund has made available to the Acquiring Fund copies of: (1) the federal, state and local income tax returns filed by or on behalf of the Acquired Fund for the prior three (3) taxable years; and (2) any of the following that have been issued to or for the benefit of or that otherwise affect the Acquired Fund and which have continuing relevance: (a) rulings, determinations, holdings or opinions issued by any federal, state, local or foreign tax authority and (b) legal opinions.

(h) As soon as is reasonably practicable after the Closing, the Acquired Fund will make one or more liquidating distributions to its shareholders consisting of the applicable class of shares of the Acquiring Fund received at the Closing.

(i) The Acquiring Fund shall not take any action or cause any action to be taken (including, without limitation the filing of any tax return) that results in the failure of the Reorganization to qualify as a reorganization within the meaning of Section 368(a)(1) of the Code.

8. **Obligations of the Trust on behalf of the Acquiring Fund**

(a) The shares of beneficial interest of the Acquiring Fund to be issued and delivered to the Acquired Fund pursuant to the terms of Section 1 hereof shall have been duly authorized as of the Closing and, when so issued and delivered, shall be registered under the 1933 Act, validly issued, and fully paid and non-assessable, and no shareholder of the Acquiring Fund shall have any statutory or contractual preemptive right of subscription or purchase in respect thereof, other than any rights deemed to have been created pursuant to this Plan.

(b) The Trust shall operate the business of the Acquiring Fund as presently conducted between the date hereof and the Closing.

(c) The Trust shall file, by the date of the Closing, all of the Acquiring Fund's federal and other Tax returns and reports required by law to be filed on or before such date and all federal and other taxes shown as due on said returns shall have either been paid or adequate liability reserves shall have been provided for the payment of such taxes.

(d) At the Closing, the Trust shall provide the statement of assets and liabilities described in Section 5(c) of this Plan in conformity with the requirements described in such Section.

(e) The Trust shall have filed with the Commission a registration statement relating to the shares of beneficial interest of the Acquiring Fund issuable hereunder, and shall have used its best efforts to provide that such registration statement becomes effective as promptly as practicable. At the time such registration statement becomes effective, it (i) will comply in all material respects with the applicable provisions of the 1933 Act, the 1934 Act and the 1940 Act, and the rules and regulations promulgated thereunder; and (ii) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. At the time the registration statement becomes effective, and at the Closing, the prospectus and statement of additional information included in the registration statement did not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) The Acquiring Fund shall not take any action or cause any action to be taken (including, without limitation the filing of any tax return) that results in the failure of the Reorganization to qualify as a reorganization within the meaning of Section 368(a)(1) of the Code.

9. **Conditions Precedent to be Fulfilled by the Trust on behalf of the Acquired Fund and the Acquiring Fund**

The consummation of this Plan and the Reorganization hereunder shall be subject to the following respective conditions:

(a) That (1) all the necessary findings of fact contained herein shall be true and correct in all material respects as of the Closing with the same effect as though made as of and at such date; (2) the performance of all obligations required by this Plan to be performed by the Trust shall have been performed at or prior to the Closing; and (3) the Trust shall have executed a certificate signed by the President or Vice-President and by the Secretary or equivalent officer to the foregoing effect.

(b) The Trust shall provide a copy of the resolutions approving this Plan adopted by the Trust's Board of Trustees, certified by the Secretary or equivalent officer.

(c) That the Commission shall not have issued an unfavorable advisory report under Section 25(b) of the 1940 Act, nor instituted nor threatened to institute any proceeding seeking to enjoin the consummation of the Reorganization contemplated hereby under Section 25(c) of the 1940 Act, and no other legal, administrative or other proceeding shall be instituted or threatened that would materially and adversely affect the financial condition of the Trust, the Acquired Fund or the Acquiring Fund or would prohibit the transactions contemplated hereby.

(d) That the Acquired Fund shall have declared prior to the Valuation Date and paid before the date of the Closing, a dividend or dividends with a record and ex-dividend date on or prior to such Valuation Date that, together with all previous dividends, shall have the effect of distributing to its shareholders (A) all of Acquired Fund's investment company taxable income for the taxable year ended prior to the date of the Closing and substantially all of such investment company taxable income for the final taxable year ending with its complete liquidation (in each case determined without regard to any deductions for dividends paid), and (B) all of Acquired Fund's net capital gain recognized in its taxable year ended prior to the date of the Closing and substantially all of any such net capital gain recognized in such final taxable year (in each case after reduction for any capital loss carryover).

(e) That all required consents of other parties and all other consents, orders and permits of federal, state and local authorities (including those of the Commission and of state Blue Sky securities authorities, including any necessary "no-action" positions or exemptive orders from such federal and state authorities) to permit consummation of the transaction contemplated hereby shall have been obtained, except where failure to obtain any such consent, order or permit would not involve risk of material adverse effect on the assets and properties of the Acquired Fund or the Acquiring Fund.

(f) That prior to or at the Closing, the Trust shall receive an opinion from Stradley Ronon Stevens & Young, LLP ("SRSY") to the effect that, provided the acquisition contemplated hereby is carried out in accordance with the applicable laws of the State of Delaware, the terms of this Plan and in accordance with customary representations provided by the Trust in certificates delivered to SRSY:

(1) The acquisition by the Acquiring Fund of substantially all of the assets of the Acquired Fund in exchange solely for the Acquiring Fund shares, followed by the distribution by the Acquired Fund to its shareholders of the Acquiring Fund shares in complete liquidation of the Acquired Fund, will qualify as a reorganization within the meaning of Section 368(a)(1) of the Code, and the Acquiring Fund and the Acquired Fund will each be a "party to the reorganization" within the meaning of Section 368(b) of the Code;

(2) No gain or loss will be recognized by the Acquired Fund upon the transfer of substantially all of its assets to the Acquiring Fund in exchange solely for the voting shares of the Acquiring Fund pursuant to Section 361(a) and Section 357(a) of the Code;

(3) No gain or loss will be recognized by the Acquiring Fund upon the receipt by it of substantially all of the assets of the Acquired Fund in exchange solely for the shares of the Acquiring Fund pursuant to Section 1032(a) of the Code;

(4) No gain or loss will be recognized by the Acquired Fund upon the distribution of the Acquiring Fund shares by the Acquired Fund to its shareholders in complete liquidation pursuant to Section 361(c)(1) of the Code;

(5) The tax basis of the assets of the Acquired Fund received by the Acquiring Fund will be the same as the tax basis of these assets in the hands of the Acquired Fund immediately prior to the exchange pursuant to Section 362(b) of the Code;

(6) The holding periods of the assets of the Acquired Fund received by the Acquiring Fund will include the periods during which such assets were held by the Acquired Fund pursuant to Section 1223(2) of the Code;

(7) No gain or loss will be recognized by the shareholders of the Acquired Fund upon the exchange of their shares in the Acquired Fund solely for the shares (including fractional shares to which they may be entitled) of the Acquiring Fund pursuant to Section 354(a) of the Code;

(8) The aggregate tax basis of the Acquiring Fund shares to be received by each Acquired Fund shareholder (including fractional shares to which they may be entitled) will be the same as the aggregate tax basis of the shares of the Acquired Fund exchanged therefor pursuant to Section 358(a)(1) of the Code;

(9) The holding period of the Acquiring Fund shares to be received by each Acquired Fund shareholders (including fractional shares to which they may be entitled) will include the holding period of the Acquired Fund shares surrendered in exchange therefor, provided that the shareholder held the Acquired Fund as a capital asset on the date of the Reorganization pursuant to Section 1223(l) of the Code; and

(10) The Acquiring Fund will succeed to and take into account as of the date of the transfer (as defined in Section 1.381(b)-1(b) of the Treasury Regulations) the items of the Acquired Fund described in Section 381(c) of the Code, subject to the conditions and limitations specified in Sections 381, 382, 383 and 384 of the Code and the Treasury Regulations thereunder.

No opinion will be expressed as to the effect of the Reorganization on: (i) the Acquired Fund or the Acquiring Fund with respect to any asset as to which any unrealized gain or loss is required to be recognized for federal income tax purposes at the end of a taxable year (or on the termination or transfer thereof) under a mark-to-market system of accounting; and (ii) any Acquired Fund Shareholder that is required to recognize unrealized gains and losses for federal income tax purposes under a mark-to-market system of accounting.

Such opinion shall contain such limitations as shall be in the opinion of SRSY appropriate to render the opinions expressed therein. Notwithstanding anything herein to the contrary, neither the Acquiring Fund nor the Acquired Fund may waive the conditions set forth in this paragraph 9(f).

(g) That the Trust shall have received an opinion in form and substance reasonably satisfactory to it from SRSY, counsel to the Trust, to the effect that:

(1) The Trust was created as a statutory trust under the laws of the State of Delaware on September 1, 2004 and is validly existing and in good standing under the laws of the State of Delaware;

(2) The Trust is an open-end, investment company of the management type registered as such under the 1940 Act;

(3) The Trust is authorized to issue an unlimited number of shares of beneficial interest, without par value, of the Acquired Fund and Acquiring Fund;

(4) Assuming that the initial shares of beneficial interest of the Acquired Fund were issued in accordance with the 1940 Act, and the Agreement and Declaration of Trust and By-Laws of the Trust, and that all other such outstanding shares of the Acquired Fund were sold, issued and paid for in accordance with the terms of the Acquired Fund prospectus in effect at the time of such sales, each such outstanding share is validly issued, fully paid and non-assessable;

(5) Assuming that the initial shares of beneficial interest of the Acquiring Fund were issued in accordance with the 1940 Act and the Trust's Agreement and Declaration of Trust and By-Laws, and that all other such outstanding shares of the Acquiring Fund were sold, issued and paid for in accordance with the terms of the Acquiring Fund's prospectus in effect at the time of such sales, each such outstanding share is validly issued, fully paid and non-assessable;

(6) Such counsel does not know of any material suit, action, or legal or administrative proceeding pending or threatened against the Trust, the unfavorable outcome of which would materially and adversely affect the Trust, the Acquired Fund or the Acquiring Fund;

(7) The shares of beneficial interest of the Acquiring Fund to be issued pursuant to the terms of Section 1 hereof have been duly authorized and, when issued and delivered as provided in this Plan, will have been validly issued and fully paid and will be non-assessable by the Trust or the Acquiring Fund, and to such counsel's knowledge, no shareholder has any preemptive right to subscription or purchase in respect thereof other than any rights that may be deemed to have been granted pursuant to this Plan;

(8) To such counsel's knowledge, no consent, approval, authorization or order of any court, governmental authority or agency is required for the consummation by the Trust of the transactions contemplated by this Plan, except such as have been obtained under the 1933 Act, the 1934 Act, the 1940 Act, and Delaware laws (including, in the case of each of the foregoing, the rules and regulations thereunder and such as may be required under state securities laws); and

(9) Neither the execution nor performance of this Plan by the Trust violates any provision of its Agreement and Declaration of Trust, its By-Laws, or the provisions of any agreement or other instrument, known to such counsel to which the Trust is a party or by which the Trust is otherwise bound.

In giving the opinions set forth above, SRSY may state that it is relying on certificates of the officers of the Trust with regard to matters of fact and certain certifications and written statements of governmental officials with respect to the good standing of the Trust.

(h) That the Trust's registration statement with respect to the shares of beneficial interest of the Acquiring Fund to be delivered to the Acquired Fund's shareholders in accordance with Section 1 hereof shall have become effective, and no stop order suspending the effectiveness of the registration statement or any amendment or supplement thereto, shall have been issued prior to the Closing or shall be in effect at the Closing, and no proceedings for the issuance of such an order shall be pending or threatened on that date.

(i) That the shares of beneficial interest of the Acquiring Fund to be delivered in accordance with Section 1 hereof shall be eligible for sale by the Trust with each state commission or agency with which such eligibility is required in order to permit the shares lawfully to be delivered to each Acquired Fund shareholder.

(j) That at the Closing, the Trust, on behalf of the Acquired Fund, transfers to the Acquiring Fund Net Assets of the Acquired Fund comprising at least 90% in fair market value of the total net assets and 70% in fair market value of the total gross assets recorded on the books of the Acquired Fund at the Close of Business on the Valuation Date.

10. **Fees and Expenses; Other Plans**

The expenses of entering into and carrying out the provisions of this Plan, whether or not consummated, shall be borne by Nationwide Fund Advisors.

11. **Termination; Waiver; Order**

(a) Anything contained in this Plan to the contrary notwithstanding, the Trust may terminate this Plan and the Reorganization may be abandoned at any time prior to the Closing.

(b) If the transactions contemplated by this Plan have not been consummated by December 31, 2014, this Plan shall automatically terminate on that date, unless a later date is established by the Trust.

(c) In the event of termination of this Plan pursuant to the provisions hereof, the same shall become void and have no further effect, and there shall not be any liability on the part of the Trust or its trustees, officers, agents or shareholders in respect of this Plan.

(d) At any time prior to the Closing, any of the terms or conditions of this Plan may be waived by the Trust.

(e) The respective necessary findings of fact and obligations contained in Sections 4-8 hereof shall expire with, and be terminated by, the consummation of the Plan, and neither the Trust, nor any of its officers, trustees, agents or shareholders shall have any liability with respect to such necessary findings of fact or obligations after the Closing. This provision shall not protect any officer, trustee, agent or shareholder of the Trust against any liability for which such officer, trustee, agent or shareholder would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties in the conduct of such office.

(f) If any order or orders of the Commission with respect to this Plan shall be issued prior to the Closing and shall impose any terms or conditions that are determined by action of the Board of Trustees of the Trust to be acceptable, such terms and conditions shall be binding as if a part of this Plan without further vote or approval of the shareholders of the Acquired Fund, unless such further vote is required by applicable law.

12. **Liability of the Trust**

The Trust acknowledges that: (i) all obligations of the Trust under this Plan are binding only with respect to the Trust, the Acquired Fund and the Acquiring Fund; (ii) any liability of the Trust under this Plan with respect to the Acquiring Fund, or in connection with the transactions contemplated herein with respect to the Acquiring Fund, shall be discharged only out of the assets of the Acquiring Fund; (iii) any liability of the Trust under this Plan with respect to the Acquired Fund, or in connection with the transactions contemplated herein with respect to the Acquired Fund, shall be discharged only out of the assets of the Acquired Fund; and (iv) no other series of the Trust shall be liable with respect to this Plan or in connection with the transactions contemplated herein, and that neither the Trust, the Acquired Fund nor the Acquiring Fund shall seek satisfaction of any such obligation or liability from the shareholders of any other series of the Trust.

13. **Final Tax Returns and Forms 1099 of the Acquired Fund**

(a) After the Closing, the Trust shall or shall cause its agents to prepare any federal, state or local Tax returns, including any Forms 1099, required to be filed by the Trust with respect to the Acquired Fund's final taxable year ending with its complete liquidation and for any prior periods or taxable years and shall further cause such Tax returns and Forms 1099 to be duly filed with the appropriate taxing authorities.

(b) Any expenses incurred by the Trust or the Acquired Fund (other than for payment of Taxes) in connection with the preparation and filing of said Tax returns and Forms 1099 after the Closing, shall be borne by the Acquired Fund to the extent such expenses have been or should have been accrued by the Acquired Fund in the ordinary course without regard to the Reorganization contemplated by this Plan; any excess expenses shall be borne by Nationwide Fund Advisors at the time such Tax returns and Forms 1099 are prepared.

14. **Amendments**

This Plan may only be amended in writing at the direction of the Board of Trustees of the Trust.

15. **Governing Law**

This Plan shall be governed by and carried out in accordance with the laws of the State of Delaware.

The Trust has adopted this Plan of Reorganization and it shall be deemed effective, all as of the day and year first-above written.

Nationwide Mutual Funds, on behalf of Nationwide HighMark Short Term Bond Fund and Nationwide Short Duration Bond Fund

By ____

Michael S. Spangler, President and Chief Executive Officer

Acknowledged by Nationwide Fund Advisors

By ____

Michael S. Spangler, President

EXHIBIT B
FINANCIAL HIGHLIGHTS

The financial highlight tables are intended to help you understand the Nationwide Short Duration Bond Fund's and Nationwide HighMark Short Term Bond Fund's financial performance for the past five fiscal years and are included in the Nationwide Short Duration Bond Fund's prospectus and Nationwide HighMark Short Term Bond Fund's prospectus which are each incorporated herein by reference. The financial highlights tables below provide additional information for the most recent six-month semi-annual reporting period. The information for six-month semi-annual reporting periods is unaudited. The fiscal year end of the Nationwide Short Duration Bond Fund is October 31, and, accordingly, its financial highlights table below contains information for the six-month period ended April 30, 2014. The fiscal year end of the Nationwide HighMark Short Term Bond Fund is July 31, and, accordingly, its financial highlights table below contains information for the six-month period ended January 31, 2014.

Nationwide Short Duration Bond Fund

Selected data for each share of capital outstanding throughout the periods indicated.

		Operations			Distributions				Ratios/Supplemental Data				
	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gains (Losses) from Investments	Total from Operations	Net Investment Income	Total Distributions	Net Asset Value, End of Period	Total Return (a)(b)	Net Assets at End of Period	Ratio of Expenses to Average Net Assets (c)	Ratio of Net Investment Income (Loss) to Average Net Assets (c)	Ratio of Expenses (Prior to Reimbursements) to Average Net Assets (c)(d)	Portfolio Turnover (e)
Class A Shares													
Six Months Ended April 30, 2014 (f) (Unaudited)	$10.08	0.04	0.01	0.05	(0.05)	(0.05)	$10.08	0.55%	$36,858,478	0.85%	0.70%	0.98%	12.79%
Year Ended October 31, 2013 (f)	$10.18	0.04	(0.06)	(0.02)	(0.08)	(0.08)	$10.08	(0.19%)	$50,016,790	0.84%	0.41%	0.89%	56.94%
Year Ended October 31, 2012 (f)	$10.15	0.07	0.06	0.13	(0.10)	(0.10)	$10.18	1.32%	$83,578,550	0.83%	0.64%	0.90%	48.27%
Year Ended October 31, 2011 (f)	$10.22	0.09	(0.05)	0.04	(0.11)	(0.11)	$10.15	0.43%	$60,155,853	0.83%	0.92%	0.94%	89.14%
Year Ended October 31, 2010 (f)	$10.21	0.16	0.10	0.26	(0.25)	(0.25)	$10.22	2.57%	$57,699,603	0.85%	1.61%	0.95%	65.72%
Year Ended October 31, 2009 (f)	$ 9.85	0.09	0.56	0.65	(0.29)	(0.29)	$10.21	6.68%	$15,176,169	0.75%	0.91%	0.94%	29.05%
Class C Shares													
Six Months Ended April 30, 2014 (f) (Unaudited)	$10.09	0.01	0.02	0.03	(0.03)	(0.03)	$10.09	0.31%	$ 6,575,097	1.31%	0.24%	1.44%	12.79%
Year Ended October 31, 2013 (f)	$10.18	(0.01)	(0.05)	(0.06)	(0.03)	(0.03)	$10.09	(0.54%)	$ 8,161,062	1.30%	(0.05%)	1.35%	56.94%
Year Ended October 31, 2012 (f)	$10.15	0.02	0.07	0.09	(0.06)	(0.06)	$10.18	0.84%	$11,951,638	1.30%	0.17%	1.38%	48.27%
Year Ended October 31, 2011 (f)	$10.23	0.05	(0.06)	(0.01)	(0.07)	(0.07)	$10.15	(0.14%)	$ 8,374,376	1.30%	0.45%	1.41%	89.14%
Year Ended October 31, 2010 (f)	$10.21	0.11	0.11	0.22	(0.20)	(0.20)	$10.23	2.18%	$ 6,731,059	1.30%	1.12%	1.40%	65.72%
Year Ended October 31, 2009 (f)	$ 9.86	0.23	0.36	0.59	(0.24)	(0.24)	$10.21	6.04%	$ 523,771	1.26%	2.30%	1.43%	29.05%

		Operations			Distributions				Ratios/Supplemental Data				
	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gains (Losses) from Investments	Total from Operations	Net Investment Income	Total Distributions	Net Asset Value, End of Period	Total Return (a)(b)	Net Assets at End of Period	Ratio of Expenses to Average Net Assets (c)	Ratio of Net Investment Income (Loss) to Average Net Assets (c)	Ratio of Expenses (Prior to Reimbursements) to Average Net Assets (c)(d)	Portfolio Turnover (e)
Institutional Service Class Shares													
Period Ended April 30, 2014 (f)(g) (Unaudited)	$10.09	0.01	—	0.01	(0.02)	(0.02)	$10.08	0.12%	$ 260,314	0.60%	0.93%	0.73%	12.79%
Institutional Class Shares													
Six Months Ended April 30, 2014 (f) (Unaudited)	$10.08	0.05	0.02	0.07	(0.07)	(0.07)	$10.08	0.69%	$10,033,356	0.55%	0.99%	0.68%	12.79%
Year Ended October 31, 2013 (f)	$10.17	0.07	(0.05)	0.02	(0.11)	(0.11)	$10.08	0.20%	$12,387,979	0.55%	0.68%	0.59%	56.94%
Year Ended October 31, 2012 (f)	$10.15	0.09	0.06	0.15	(0.13)	(0.13)	$10.17	1.50%	$21,553,402	0.55%	0.84%	0.63%	48.27%
Year Ended October 31, 2011 (f)	$10.23	0.12	(0.06)	0.06	(0.14)	(0.14)	$10.15	0.61%	$ 3,186,840	0.55%	1.20%	0.66%	89.14%
Year Ended October 31, 2010 (f)	$10.21	0.22	0.08	0.30	(0.28)	(0.28)	$10.23	3.00%	$ 801,159	0.55%	2.14%	0.65%	65.72%
Year Ended October 31, 2009 (f)	$ 9.86	0.31	0.35	0.66	(0.31)	(0.31)	$10.21	6.83%	$ 917,407	0.51%	3.10%	0.69%	29.05%
Service Class Shares													
Six Months Ended April 30, 2014 (f) (Unaudited)	$10.08	0.03	0.02	0.05	(0.05)	(0.05)	$10.08	0.53%	$24,232,985	0.88%	0.67%	1.01%	12.79%
Year Ended October 31, 2013 (f)	$10.17	0.04	(0.05)	(0.01)	(0.08)	(0.08)	$10.08	(0.10%)	$30,139,795	0.86%	0.39%	0.90%	56.94%
Year Ended October 31, 2012 (f)	$10.14	0.06	0.07	0.13	(0.10)	(0.10)	$10.17	1.25%	$52,399,796	0.89%	0.56%	0.97%	48.27%
Year Ended October 31, 2011 (f)	$10.22	0.08	(0.06)	0.02	(0.10)	(0.10)	$10.14	0.24%	$29,915,131	0.92%	0.83%	1.03%	89.14%
Year Ended October 31, 2010 (f)	$10.21	0.18	0.07	0.25	(0.24)	(0.24)	$10.22	2.48%	$41,327,727	0.94%	1.74%	1.04%	65.72%
Year Ended October 31, 2009 (f)	$ 9.85	0.27	0.36	0.63	(0.27)	(0.27)	$10.21	6.52%	$50,925,489	0.91%	2.73%	1.09%	29.05%

Amounts designated as "—" are zero or have been rounded to zero.

(a) Excludes sales charge.

(b) Not annualized for periods less than one year.

(c) Annualized for periods less than one year.

(d) During the period, certain fees may have been waived and/or reimbursed. If such waivers/reimbursements had not occurred, the ratios would have been as indicated.

(e) Portfolio turnover is calculated on the basis of the Fund as a whole without distinguishing among the classes of shares.

(f) Per share calculations were performed using average shares method.

(g) For the period from March 4, 2014 (commencement of operations) through April 30, 2014. Total returns are calculated based on inception date of March 3, 2014 through April 30, 2014.

Nationwide HighMark Short Term Bond Fund

Selected data for each share of capital outstanding throughout the periods indicated.

		Operations			Distributions				Ratios/Supplemental Data				
	Net Asset Value, Beginning of Period	Net Investment Income	Net Realized and Unrealized Gains (Losses) from Investments	Total from Operations	Net Investment Income	Total Distributions	Net Asset Value, End of Period	Total Return (a)(b)	Net Assets at End of Period	Ratio of Expenses to Average Net Assets (c)	Ratio of Net Investment Income to Average Net Assets (c)	Ratio of Expenses (Prior to Reimbursements) to Average Net Assets (c)(d)	Portfolio Turnover (e)
Class A Shares													
Six Months Ended January 31, 2014 (f) (Unaudited)	$10.00	0.03	0.04	0.07	(0.05)	(0.05)	$10.02	0.74%	$ 44,479,262	0.83%	0.66%	0.93%	36.27%
Year Ended July 31, 2013 (f)	$10.11	0.09	(0.07)	0.02	(0.13)	(0.13)	$10.00	0.22%	$ 44,364,179	0.85%	0.89%	1.19%	62.00%
Year Ended July 31, 2012 (f)	$10.09	0.17	0.05	0.22	(0.20)	(0.20)	$10.11	2.18%	$ 31,888,147	0.88%	1.71%	1.22%	45.00%
Year Ended July 31, 2011 (f)	$10.10	0.19	0.02	0.21	(0.22)	(0.22)	$10.09	2.07%	$ 24,352,508	0.95%	1.89%	1.23%	48.00%
Year Ended July 31, 2010 (f)	$ 9.98	0.24	0.14	0.38	(0.26)	(0.26)	$10.10	3.86%	$ 22,581,313	0.94%	2.39%	1.24%	27.00%
Year Ended July 31, 2009 (f)	$ 9.88	0.37	0.10	0.47	(0.37)	(0.37)	$ 9.98	4.88%	$ 9,403,302	0.93%	3.72%	1.32%	54.00%
Class C Shares													
Six Months Ended January 31, 2014 (f) (Unaudited)	$10.13	0.01	0.04	0.05	(0.03)	(0.03)	$10.15	0.50%	$ 22,186,809	1.28%	0.20%	1.33%	36.27%
Year Ended July 31, 2013 (f)	$10.24	0.05	(0.07)	(0.02)	(0.09)	(0.09)	$10.13	(0.24)%	$ 26,690,172	1.30%	0.44%	1.44%	62.00%
Year Ended July 31, 2012 (f)	$10.21	0.13	0.05	0.18	(0.15)	(0.15)	$10.24	1.79%	$ 24,569,388	1.33%	1.26%	1.47%	45.00%
Year Ended July 31, 2011 (f)	$10.22	0.15	0.01	0.16	(0.17)	(0.17)	$10.21	1.59%	$ 20,876,269	1.40%	1.44%	1.48%	48.00%
Year Ended July 31, 2010 (f)	$10.10	0.20	0.14	0.34	(0.22)	(0.22)	$10.22	3.37%	$ 17,565,330	1.39%	1.94%	1.49%	27.00%
Year Ended July 31, 2009 (f)	$ 9.99	0.32	0.11	0.43	(0.32)	(0.32)	$10.10	4.47%	$ 3,109,001	1.38%	3.27%	1.57%	54.00%
Institutional Service Class Shares (g)													
Six Months Ended January 31, 2014 (f) (Unaudited)	$10.02	0.05	0.04	0.09	(0.07)	(0.07)	$10.04	0.86%	$ 86,396,401	0.58%	0.91%	0.68%	36.27%
Year Ended July 31, 2013 (f)	$10.13	0.12	(0.07)	0.05	(0.16)	(0.16)	$10.02	0.48%	$ 93,527,779	0.59%	1.16%	0.94%	62.00%
Year Ended July 31, 2012 (f)	$10.10	0.20	0.05	0.25	(0.22)	(0.22)	$10.13	2.55%	$102,448,607	0.61%	1.98%	0.97%	45.00%
Year Ended July 31, 2011 (f)	$10.12	0.22	0.01	0.23	(0.25)	(0.25)	$10.10	2.35%	$ 87,476,317	0.67%	2.17%	0.98%	48.00%
Year Ended July 31, 2010 (f)	$10.00	0.27	0.14	0.41	(0.29)	(0.29)	$10.12	4.04%	$ 71,121,675	0.66%	2.67%	0.99%	27.00%
Year Ended July 31, 2009 (f)	$ 9.89	0.39	0.11	0.50	(0.39)	(0.39)	$10.00	5.24%	$ 51,470,563	0.66%	3.99%	1.07%	54.00%
Institutional Class Shares													
Period Ended January 31, 2014 (f)(h) (Unaudited)	$10.01	0.04	0.04	0.08	(0.05)	(0.05)	$10.04	0.79%	$ 48,754,895	0.52%	0.98%	0.52%	36.27%

Amounts designated as "—" are zero or have been rounded to zero.

(a) Excludes sales charge.

(b) Not annualized for periods less than one year.

(c) Annualized for periods less than one year.
(d) During the period, certain fees may have been waived and/or reimbursed. If such waivers/reimbursements had not occurred, the ratios would have been as indicated.
(e) Portfolio turnover is calculated on the basis of the Fund as a whole without distinguishing among the classes of shares.
(f) Per share calculations were performed using average shares method.
(g) Effective September 16, 2013, Fiduciary Shares were renamed Institutional Service Class Shares.
(h) For the period from September 19, 2013 (commencement of operations) through January 31, 2014. Total return is calculated based on inception date of September 18, 2013 through January 31, 2014.