

Investment Management Services



Notice

Fund Manager Russell Investments

Date October 2015

Notice

On October 8, 2015 the London Stock Exchange Group ('LSEG') announced it has entered into an agreement to sell the investment management and solutions business of Russell Investments to TA Associates, a private equity firm. Reverence Capital Partners (Reverence Capital), an investment firm, has partnered with TA Associates and will be a significant minority investor. This change impacts the Russell LifePoints funds that had previously only been offered through Standard Life's Quality & Choice program.

Products Affected

Russell LifePoints Balanced Growth
Russell LifePoints Balanced Income
Russell LifePoints Long Term Growth

Impact

Organization & People

Over the coming months, LSEG and TA Associates will work together to obtain the necessary approvals for this acquisition with a targeted transaction close date within the first half of 2016, subject to the necessary shareholder and regulatory approvals.

Given the prolonged sale process, IMS will be monitoring the proposed transaction closely as it approaches its targeted close date. Both TA Associates and Reverence Capital have prior experience investing in asset management firms.

Investment Process & Philosophy

There has been no announced changes to the LifePoints portfolios investment process or philosophy as a result of these changes. The funds will be monitored closely to ascertain how the proposed transaction will impact the existing investment teams and processes in place within the Russell portfolios.

Closing Remarks

There have been no announced changes in the management capabilities at Russell Investments following the proposed sale of the firm to TA Associates. TA Associates maintains prior experience in investing in asset management firms and the proposed sale removes the potential conflict of interest with the index provider LSEG owning an active asset manager. IMS will monitor the proposed transaction closely to better ascertain how the sale will impact the firm and existing investment teams and funds within Russell and will communicate if any concerns arise.

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