

## Objective

The Hotchkis & Wiley High Yield Fund seeks high current income combined with the opportunity for capital appreciation to maximize total return.

- Total Return strategy seeks to emphasize higher quality and lower volatility
- Unique synergy combining equity and credit research with a focus on asset coverage
- Experienced Investment Team averaging 17 years of industry experience

## Investment Viewpoint

Hotchkis & Wiley believes superior, risk-adjusted returns can be achieved in the high yield market by relying on fundamental analysis and unlevered asset valuation. With asset value as the foundation, we can build a portfolio of BB and B credit quality securities and reduce our exposure to the damaging effects of high defaults and low recoveries.



### Classes & Tickers

I Shares	HWHIX
A Shares	HWHAX

### Top Five Holdings<sup>1</sup>

CIT Group, Inc. 7.000%, due 5/2/2017	2.0%
PetroQuest Energy, Inc. 10.000%, due 9/1/2017	1.3
Int'l Lease Finance Corp. 8.250%, due 12/15/2020	1.3
Bldg Materials Corp. of America 6.750%, due 5/1/2021	1.2
American Int'l Group, Inc. 8.175%, due 5/15/2068	1.2

### Industry Breakdown<sup>1</sup>

Services	12.8%
Basic Industry	12.5
Healthcare	10.9
Energy	10.3
Automotive	8.2
Media	7.3
Capital Goods	6.0
Utility	5.1
Financial Services	5.1
Banking	4.9
Consumer Cyclical	4.2
Technology & Electronics	3.8
Insurance	2.6
Consumer Non-Cyclical	1.7
Telecommunications	0.8

### Credit Quality<sup>1</sup>

	Portfolio	BofAML BB-B
Investment Grade	7.2%	9.3%
BB	33.1	51.8
B	47.8	38.9
CCC+ or lower	6.5	0.0
Nonrated	5.4	0.0

### Top Ten Overweights<sup>1</sup>

	Portfolio	Portfolio less BofAML BB-B
PetroQuest Energy, Inc.	1.3%	1.3%
United Continental Holdings, Inc.	1.5	1.3
SCC Holding Co. LLC	1.2	1.2
Strategic Hotels & Resorts, Inc.	1.1	1.1
Health Management Associates, Inc.	1.3	1.1
First Data Holdings, Inc.	1.3	1.1
Stone Energy Corp.	1.2	1.1
PHH Corp.	1.2	1.1
Momentive Performance Materials	1.0	1.0
Quiksilver Inc.	1.0	1.0

### Portfolio Characteristics

	Portfolio	BofAML BB-B
Modified Duration	4.3 years	4.1 years
Dividend Frequency	Monthly	

### Asset Allocation<sup>1</sup>

Asset Allocation <sup>1</sup>		Composition	
Corporate Bonds	88.2%	Net Assets (mm)	\$406
Preferred/Convertibles	7.5	No. of Issuers	116
Cash & Equivalents	1.3		
Other	3.0		

BofAML BB-B = BofA Merrill Lynch U.S. High Yield BB-B (Constrained 2%) Index

<sup>1</sup> % of total portfolio includes total investments, cash, and accrued investment income on a trade date basis.

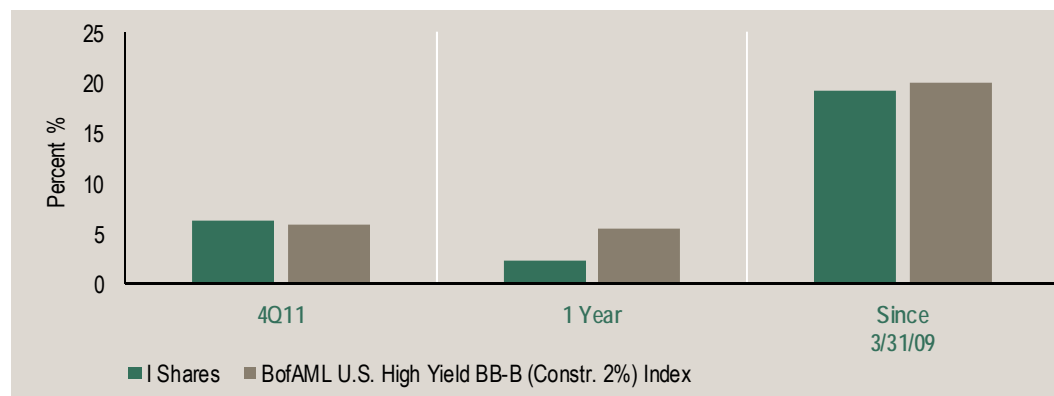
### Portfolio Characteristics

Modified Duration measures the price sensitivity of a bond to interest rate movements.

Credit Quality weights by rating were derived from the highest bond rating as determined by S&P, Moody's or Fitch. Bond ratings are grades given to bonds that indicate their credit quality as determined by private independent rating services such as Standard & Poor's, Moody's and Fitch. These firms evaluate a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when none of the three rating agencies have issued a formal rating, the Advisor will classify the security as nonrated. Sources: Bloomberg, FactSet

Holdings are subject to change and are not buy/sell recommendations.

## Performance as of December 31, 2011



	4Q11	1 Year	Since 3/31/09
I Shares	6.24%	2.28%	19.16%
A Shares without sales charge	6.20	1.92	18.58
A Shares	2.20	-1.91	16.94
BofAML U.S. High Yield BB-B (Constr. 2%) Index	5.88	5.40	20.07

Yield	I Shares	A Shares	A Shares (Load)
30-Day SEC Yield with expense waiver	7.78%	7.53%	7.24%
30-Day SEC Yield without expense waiver	7.76%	7.50%	7.21%

The Fund's total annual operating gross expense ratio as of the most current prospectus is 0.75% for I Shares, and 1.01% for A shares. The net expense ratio is 0.70% for I Shares, and 0.95% for A Shares. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through October 31, 2012 to ensure that net annual fund operating expenses do not exceed certain limits.

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, access our website at [www.hwcm.com](http://www.hwcm.com).

You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. This and other important information is contained in the Fund's summary prospectus and prospectus, which can be obtained by calling 1-800-796-5606 or visiting our website at [www.hwcm.com](http://www.hwcm.com). Read carefully before you invest.

Returns shown for A Shares for the periods prior to their inception are derived from the historical performance of I Shares of the Fund during such periods and have been adjusted to reflect the higher total annual operating expenses of each specific Share class (Inception date: I Shares-3/31/09, A Shares-5/29/09). Returns shown for A Shares without sales charge does not reflect the maximum sales load of 3.75%; if reflected, performance would be lower than shown. All other returns reflect the deduction of the current maximum initial sales charges of 3.75%. Class I shares sold to a limited group of investors. Periods over one year are average annual total return. Average annual total returns include reinvestment of dividends and capital gains. Expense limitations may have increased the Fund's total return.

The BofA Merrill Lynch U.S. High Yield BB-B (Constrained 2%) Index contains all securities in the BofA Merrill Lynch U.S. High Yield Index rated BB+ through B- by S&P (or equivalent as rated by Moody's or Fitch), but caps issuer exposure at 2%. Index constituents are capitalization weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%. The index does not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. It is not possible to invest directly in an index. The Fund's returns may not correlate with the returns of their benchmark index. The 30-day SEC Yield represents net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price at the end of the 30-day period. The SEC Yield should be regarded as an estimate of the fund's rate of investment income, and it may not equal the fund's actual income distribution rate, the income paid to a shareholder's account, or the income reported in the fund's financial statements.

*Mutual fund investing involves risk. Principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. The Fund may invest in derivative securities, which derive their performance from the performance of an underlying asset, index, interest rate or currency exchange rate. Derivatives can be volatile and involve various types and degrees of risks. Depending on the characteristics of the particular derivative, it could become illiquid. Investment in Asset Backed and Mortgage Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may invest in foreign as well as emerging markets which involve greater volatility and political, economic and currency risks and differences in accounting methods.*

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