

### DESCRIPTION

The High Yield Fund seeks to invest in undervalued debt securities of companies with attractive cash flow, strong asset coverage and financial flexibility to de-lever over time. We combine our research team's expertise in small/mid-caps and fallen angels with a bias toward senior securities as we seek to maximize risk-adjusted returns.

### ABOUT US

Since 1980, Hotchkis & Wiley has focused on discovering undervalued securities through extensive internal research. We manage \$25 billion in value equity and high yield assets for institutional and mutual fund investors. The firm is independently owned with a majority interest held by employees.

### FUND PERFORMANCE (%) as of June 30, 2020

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since 3/31/09
High Yield Fund – I Shares	10.22	-8.73	-7.26	-0.20	2.26	5.72	8.24
ICE BofAML BB-B US HY Constrained	9.44	-3.62	0.52	3.60	4.77	6.53	9.24

*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).*

The Fund's total annual operating gross expense ratio as of the most current prospectus is 0.75% for I Shares; 0.70% net expense ratio. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 31, 2021. Expense ratios shown are gross of any fee waivers or expense reimbursements. 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. 30-Day SEC Yield with Expense Waiver: 9.30%; 30-Day SEC Yield w/o Expense Waiver: 9.33%.

### PORTFOLIO CHARACTERISTICS

	Portfolio	BofAML BB-B
Current Yield	6.7%	5.8%
Yield-to-Worst	8.5%	5.8%
Modified Duration	3.8 years	4.2 years
Spread over Treasuries	806 bps	541 bps
Average Coupon Rate	6.1%	5.8%
Number of Active Issuers <sup>2</sup>	158	651

### CREDIT QUALITY (%)<sup>1</sup>

	Portfolio	BofAML BB-B
Investment Grade	11.7	12.5
BB	43.4	63.0
B	28.7	24.5
CCC+ or Lower	7.7	0.0
Non-Rated	6.5	0.1
Cash & Equivalents	1.9	0.0

### SECTOR ALLOCATION (%)<sup>1</sup>

	Portfolio	Compared to BofAML BB-B
Forest & Paper - Industries	3.7	3.2
Materials & Const. - Industries	7.1	3.2
Automotive	6.0	2.1
Technology & Electronics	6.6	1.6
Metals & Mining - Industries	4.9	1.1
Chemicals - Industries	3.8	1.0
Leisure & Services	11.2	0.9
Transportation	2.1	0.8
Energy	13.4	0.0
Insurance	0.5	-0.1
Utility	2.9	-0.2
Consumer & Capital Goods	10.2	-0.3
Retail	4.3	-0.5
Media	9.4	-1.1
Real Estate	0.7	-1.4
Banking & Finance	4.3	-2.2
Healthcare	6.7	-2.5
Satellite & Wireless - Telecom	0.3	-3.4
Wireline & Services - Telecom	0.0	-3.8

# HIGH YIELD FUND

HWHIX  
HWHAX  
HWHCX  
HWHZX

## FUND FACT SHEET

JUNE 30, 2020

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

<sup>2</sup> Number of Active Issuers excludes calls, tenders, and restructured issuers that are being liquidated (164 total issuers).

*Investments in debt securities involve credit risk and typically decrease in value when interest rates rise. Investments in lower rated and non rated securities involve greater risk. The fund may invest in derivatives, asset backed and mortgage backed securities, and foreign securities. Please read the fund prospectus for a full list of fund risks.*

The ICE BofAML BB-B US High Yield Constrained Index contains all securities in the ICE BofAML US 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.

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. Investment Grade includes credits that are BBB- or above.

**Market Disruption:** The recent global coronavirus pandemic has caused and continues to cause disruption in the global economy, unprecedented business and travel disruption and extreme fluctuations in global capital and financial markets. H&W is unable to predict the consequences of the upheaval caused by coronavirus pandemic, which, depending on the severity and the length of the outbreak, has the potential to negatively impact the firm's investment strategies and reduce available investment opportunities.

Data source: H&W, FactSet. Holdings are subject to change and are not buy/sell recommendations. *Current Yield* is that of the securities held in the portfolio; it is not reflective of the yield distributed to shareholders. Current yield is calculated by taking the annual income (interest or dividends) divided by the current price of the security. *Yield-to-Worst* is the lowest possible yield from owning a bond considering all potential call dates prior to maturity. *Modified Duration* measures the price sensitivity of a bond to interest rate movements. *Spread over Treasuries* is the yield-to-worst of the portfolio minus the yield-to-worst on Treasuries. *Average Coupon Rate* is the weighted average of the interest rate stated on a bond, expressed as a percentage of the principal (face value).

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.

The ICE BofAML index data referenced is the property of ICE Data Indices, LLC ("ICE BofAML") and/or its licensors and has been licensed for use by Hotchkis & Wiley. ICE BofAML and its licensors accept no liability in connection with its use. See [www.hwcm.com](http://www.hwcm.com) for full disclaimer.

*This material must be preceded or accompanied by a summary prospectus or prospectus of the Hotchkis & Wiley High Yield Fund*

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