**VISA 2019/145769-7336-0-PC**
L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2019-03-11
Commission de Surveillance du Secteur Financier

FEBRUARY

# 2019 PROSPECTUS

**TCW Funds – Fixed Income Sub-Funds**

MetWest Total Return Bond Fund

MetWest Unconstrained Bond Fund

TCW Income Fund

TCW Total Return Bond Fund

MetWest High Yield Bond Fund

TCW Emerging Markets Income Fund

TCW Emerging Markets Local Currency Income Fund

**TCW Funds – Equity Sub-Funds**

TCW Select Equities Fund

TCW Global Artificial Intelligence Equity Fund

TCW Global Premier ESG Equities Fund

TCW U.S. REIT Income Fund

TCW Multi-Income U.S. Equities Fund

This Prospectus is valid only if it is accompanied by the latest available annual report and, where applicable, by the non-audited semi-annual report, if published since the last annual report. These reports form an integral part of this Prospectus.

In addition to this Prospectus, the Fund has also adopted a Key Investor Information in relation to each Class which contains the key information about such Class.

# Glossary of Terms

The following definitions apply in this document unless the context otherwise requires:

| Term | Definition |
|---|---|
| ABS | Asset-backed securities. |
| Administrative Agent | Société Générale Bank & Trust, acting as administrative, corporate and domiciliary agent of the Fund on appointment by the Fund. |
| American Depository Receipts (ADRs) | Products registered with the SEC, typically issued by a U.S. bank or trust company, which represent one or more shares of foreign stock or a fraction of a share. ADRs are denominated in U.S. dollars, do not typically contain derivatives and are publicly traded on exchanges or over-the-counter markets in the U.S. |
| Articles of Incorporation | The articles of incorporation of the Fund, as amended from time to time. |
| Board of Directors | The members of the board of directors of the Fund, for the time being and any duly constituted committee thereof and any successor to such members as may be appointed from time to time. |
| Business Development Company or BDC | A Business Development Company is a form of publicly registered investment company in the United States that invests in small and mid-sized businesses. |
| Calculation Day | The Fund Business Day, following the Valuation Day, on which the Administrative Agent calculates the Net Asset Value as of the Valuation Day. |
| Circular 08/356 | Means CSSF Circular 08/356 on Rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments as amended from time to time. |
| Circular 12/546 | Means CSSF Circular 12/546 on Authorisation and organization of the Luxembourg management companies subject to Chapter 15 of the law of 17 December 2010 relating to undertakings for collective investment as well as to investment companies which have not designated a management company within the meaning of Article 27 of the law of 17 December 2010 relating to undertakings for collective investment. |
| Class or Class of Shares | A class of Shares (the characteristics of which are set out under the Classes of Shares) of each Sub-Fund. |
| Commodities | Assets that have tangible properties, such as oil, metals, and agricultural products. |
| CSSF | Commission de Surveillance du Secteur Financier of Luxembourg the Luxembourg Supervisory Authority or its successor. |
| Dealing Day | The Fund Business Day preceding the Calculation Day. |
| Deferred Sales Charge | A fee imposed when Class B Shares are sold within a specified number of years of the date on which they were originally purchased. |

| Term | Definition |
|---|---|
| Depositary Bank | Société Générale Bank & Trust, acting as depositary bank and paying agent of the Fund on appointment by the Fund. |
| Developed Market Countries | Includes Japan, Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, Monaco, The Netherlands, Norway, San Marino, Spain, Sweden, Switzerland, United Kingdom, Holy See (Vatican City), Canada, United States of America, Australia, and New Zealand |
| Director | A member of the Board of Directors. |
| Distribution Shares | Shares that are entitled to regular dividend payments. |
| Distributor | The person or entity duly appointed from time to time by the Fund to distribute or arrange for the distribution of Shares. |
| Efficient Portfolio Management | The use of derivatives instruments in accordance with the 2010 Law, Circular 08/356 and the Grand-Ducal Regulation of 2008. |
| Eligible market | Official stock exchange or Regulated Market in an Eligible State. |
| Eligible State | Member State of the OECD and any country in Western or Central Europe and on the African, Asian, Oceanic or American continents. |
| Emerging Market Countries | Includes all countries except Japan, Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, Monaco, The Netherlands, Norway, San Marino, Spain, Sweden, Switzerland, United Kingdom, Holy See (Vatican City), Canada, United States, Australia, New Zealand. |
| Equity-linked Instruments | Securities or instruments replicating the performance of shares, or linked to a share index, in particular share warrants, subscription rights, acquisition or purchase rights, convertible bonds, embedded derivatives with underlying equities or share indexes and the financial implications of which are exposure solely to equities, together with depository receipts, such as ADRs (American Depositary Receipts) and GDRs (Global Depositary Receipts). |
| ESMA 2012/832 | ESMA Guidelines and Recommendations 2012/832 dated 18 December 2012 regarding Guidelines on ETFs and other UCITS issues and implemented in the Luxembourg regulation by the CSSF Circular 13/559. |
| ETF | Open-ended Exchange Traded Funds |
| EU Level 2 Regulation | European Commission Delegated Regulation (EU 2016/438) of 24 March 2016 supplementing the UCITS V Directive 2014/91/EU of the European Parliament and of the Council with regard to the obligations of depositaries, remuneration policies and sanctions. |
| Europe | Albania, Andorra, Belarus, Bosnia and Herzegovina, Croatia, Denmark's dependencies, European Union, France's dependencies, Holy See (Vatican City), Iceland, Liechtenstein, Former Yugoslav Republic of Macedonia, Moldavia, Monaco, Montenegro, The Netherlands's dependencies, Norway, Russia, Russian Federation (CIS), San Marino, Serbia, Switzerland, Turkey, Ukraine, the United Kingdom's dependencies. |
| European Union | Austria, Belgium, Bulgaria, Croatia, the Czech Republic, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, |

| Term | Definition |
|---|---|
| | Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom. |
| FATCA | FATCA refers to "Foreign Account Compliance Act" enacted in 2010 as part of the Hiring Incentives to Restore Employment act. The FATCA regime addresses perceived abuses by US taxpayers with respect to offshore financial assets. FATCA compels Foreign Financial Institutions to report U.S. financial assets holders to the IRS. |
| FFI | "FFI" refers to a Foreign Financial Institution, as defined by the FATCA legislation. The term includes, but is not limited to, depository institutions, custodial institutions, investment entities and certain types of insurance companies offering cash value products or annuities. |
| Fixed Income Sub-Fund | A Sub-Fund listed in Annex 1 of this Prospectus. |
| Fund | TCW Funds. |
| Fund Business Day | Any full working day in Luxembourg when the banks are open for business and the New York Stock Exchange is open, unless otherwise provided for in Part II of the Prospectus for a Sub-Fund. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business. |
| Grand-Ducal Regulation of 2008 | The Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the 2010 Law. |
| IGA (Inter-governmental Agreement) | An agreement or arrangement between the United States or the Treasury Department and a foreign government or one or more agencies thereof to implement FATCA through reporting by financial institutions to such foreign government or agency thereof, followed by automatic exchange of the reported information with the IRS. |
| Index | Index as described in the corresponding Appendix. |
| Institutional Investor | An institutional investor as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority such as financial professionals (including banks and regulated professionals of the financial sector, insurance and reinsurance companies, investment funds, social security institutions and pension funds, charitable institutions, family offices, local authorities, commercial, industrial and financial groups) acting for their own account, and in certain cases financial professionals investing in their own name but on behalf of others, subject to the investments being made pursuant to a discretionary asset management mandate and the client of the financial professional not having any right or claim directly against the fund but only against the financial professional. |
| Intermediary | Any sales agent, Distributor, servicing agent and/or nominee appointed to offer and sell the Shares to investors and handle the subscription, redemption, conversion or transfer requests of Investors. |
| Investment Manager | TCW Investment Management Company LLC, acting as investment manager of the Fund on appointment by the Management Company. |
| Investment objective | Investment objective of each Sub-Fund as described in the corresponding Appendix. |

| Term | Definition |
| --- | --- |
| Investment restrictions | The investment restrictions that the Fund must observe and which are described in the Prospectus and in the Articles of Incorporation. |
| Investment Sub-Manager | An investment sub-manager to whom the Investment Manager delegates the management of any portion of the assets of the Fund. |
| Investor | A person who has invested in the Fund and is registered as a holder of Shares in the register of the Investors; institutions that are not Intermediaries shall be treated as Investors. |
| Key Investor Information | The Key Investor Information issued in relation to each Class of Shares of each Sub-Fund. |
| Mainly | At least 51% of Sub-Fund net assets. |
| Management Company | Carne Global Fund Managers (Luxembourg) S.A. acting as Management Company of the Fund. |
| Master Limited Partnership or MLP | A Master Limited Partnership is a limited partnership that is publicly traded on a securities exchange and generally operates in, but is not limited to, energy (production or infrastructure), real estate and financial services industries. |
| Member State | A member state of the European Union. |
| Mémorial | Mémorial C, Recueil des Sociétés et Associations. |
| Money Market Instruments | Money market instruments within the meaning of the 2010 Law and the Grand-Ducal Regulation of 2008. |
| MBS | Mortgage-backed securities. |
| NAV Currency | The currency in which the Classes of Shares are denominated. |
| Net Asset Value or NAV | Net asset value of the Fund, of a Sub-Fund or a Class of Shares, as applicable, calculated in accordance with the provisions of the Prospectus. |
| NFFE | An “NFFE” means any Non-U.S. Entity that is not an FFI as defined in relevant U.S. Treasury Regulations or is an Entity described in subparagraph B(4)(j) of the VI section of the ANNEX I of the Agreement between the Government of the Grand Duchy of Luxembourg and the Government of the United States of America to Improve International Tax Compliance and with respect to The United States information reporting provisions commonly known as the Foreign Account Tax Compliance Act signed in Grand Duchy of Luxembourg on 28th of March 2014, and also includes any Non-U.S. Entity that is established in Luxembourg or another Partner Jurisdiction and that is not a Financial Institution. |
| Passive NFFE | Any NFFE that is not (i) an active NFFE (as defined in the Foreign Account Tax Compliance Act), or (ii) a withholding foreign partnership or withholding foreign trust pursuant to relevant U.S. Treasury Regulations. |
| Non Participating FFI | A non participating Financial Institution, as that term is defined in relevant U.S. Treasury Regulations. This term does not include a Luxembourg Financial Institution or other Partner Jurisdiction Financial Institution other than a Financial Institution treated as a Non participating Financial Institution pursuant to |

| Term | Definition |
|---|---|
| | subparagraph 2(b) of Article 5 of the Agreement between the Government of the Grand Duchy of Luxembourg and the Government of the United States of America to Improve International Tax Compliance and with respect to The United States information reporting provisions commonly known as the Foreign Account Tax Compliance Act signed in Grand Duchy of Luxembourg on 28th of March 2014, or the corresponding provision in an agreement between the United States and a Partner Jurisdiction. |
| OECD | Organisation for Economic Co-operation and Development. |
| OECD Countries | Countries that are members, from time to time, of the OECD. |
| Principal Distributor | TCW Funds Distributors LLC, acting as principal distributor of the Fund on appointment by the Management Company. |
| Prospectus | The prospectus of the Fund, which is deemed to include the latest available annual report and, where applicable, the non-audited semi-annual report, if published since the last annual report. These reports form an integral part of this Prospectus. |
| Real Estate Investment Trust or REIT | Real estate investment trust, a closed-end pooled investment vehicle that invests primarily in income-producing real estate or real estate related loans or interests (such as mortgages) or MBS. A US REIT is a corporation or a business trust that would otherwise be taxed as a corporation, but is not because it meets certain definitional requirements of the US Internal Revenue Code. The US Internal Revenue Code permits a qualifying REIT to deduct dividends paid, thereby effectively eliminating corporate level federal income tax and making the REIT a pass-through vehicle for federal income tax purposes. To meet the definitional requirements of the US Internal Revenue Code, a REIT must, among other things, invest substantially all of its assets in interests in real estate (including mortgages and other REITs) or cash and government securities, derive most of its income from rents from real property or interest on loans secured by mortgages on real property; and distribute to shareholders annually 90% or more of its otherwise taxable income. REITs invested in by any Sub-Fund shall meet the eligibility requirements of Article 41 (1) (c) of the 2010 Law on undertakings for collective investment. |
| Registrar Agent | Société Générale Bank & Trust acting as registrar agent of the Fund on appointment by the Fund. |
| Regulated Market | Any of the following (i) a regulated market within the meaning of article 4, item 1.14 of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments; (ii) a market in a Member State which is regulated, operates regularly and is recognised and open to the public; or (iii) a stock exchange or market in a non-Member State which is regulated, operates regularly and is recognised and open to the public. |
| Safe-keeping Delegate | Means any entity appointed by the Depositary, to whom Safe-keeping Services (as defined in the Depositary Agreement) have been delegated in accordance with article 34bis of the 2010 Law and articles 13 to 17 of the EU Level 2 Regulation. |
| Sector | A group of companies whose principal activities, products or services offered give them a similar economic risk profile vis à vis issuers active in other sectors of the economy. The definition of what constitutes a particular "sector" is therefore an evolving one, particularly for issuers in sectors within industries that |

| Term | Definition |
|---|---|
| | are new or are undergoing rapid development. Some issuers could reasonably fall within more than one sector. For example, some companies that sell goods over the internet (including issuers of securities in which a Sub-Fund invests) were initially classified as internet companies, but over time have evolved into the economic risk profiles of retail companies. The Investment Manager will, on behalf of each Sub-Fund, make reasonable determinations as to the appropriate sector to assign to each issuer of securities in which the Sub-Fund invests. The Investment Manager will use its best efforts to assign each issuer to the category which it believes is most appropriate. Further, the Sub-Funds take the position that mortgage-backed securities and asset-backed securities, whether government-issued or privately issued do not represent interests in any particular "industry" or group of industries. Any sector restrictions shall not apply to any Sub-Fund's purchase of U.S. Government Securities. |
| Share | A Share issued to an Investor in any Sub-Fund. |
| Shareholder or shareholder | An Investor. |
| STRIPS | Separate Trading of Registered Interest and Principal of Securities bonds. |
| Sub-Fund | Each of the sub-funds of the Fund corresponding to a separate portfolio of assets. |
| Transferable Securities | Transferable securities within the meaning of the 2010 Law and the Grand-Ducal Regulation of 2008. |
| UCI | An undertaking for collective investment which has as its sole object the collective investment in Transferable Securities and/or other publicly offered liquid financial assets of capital raised from the public and which operates on the principle of risk spreading and the units/shares of which are at the request of holders repurchased or redeemed directly or indirectly out of those undertakings' assets provided that action taken to ensure that the stock exchange value of such units/shares does not significantly vary shall be regarded as equivalent to such repurchase or redemption. |
| UCITS | An Undertaking for Collective Investment in Transferable Securities pursuant to the amended Council Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS, as amended from time to time. |
| US or United States | The United States of America, its territories or possessions including the states and the federal District of Columbia. |
| US Person | Any of the following: (i) a natural person who is a citizen or a resident in the United States; (ii) a partnership or corporation organised or incorporated under the laws of the United States; (iii) an estate of which any executor or administrator is a US person; (iv) a trust of which any trustee is a US person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust), held by a dealer or other fiduciary for the benefit or account of a US person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; (viii) any partnership or corporation if: (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a US person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited |

| Term | Definition |
|---|---|
| | investors who are not natural persons, estates or trusts; and (ix) any other person falling within the definition of the term “US Person” under Regulation S, promulgated under the 1933 Act. |
| Valuation Day | Each Fund Business Day on which the Net Asset Value per Share is determined. |
| 1915 Law | The Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time and specially as amended by the Luxembourg law of 23 August 2016, as the same may be amended from time to time. |
| 1933 Act | The United States Securities Act of 1933 (as amended). |
| 2010 Law | The Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time. |

All references herein to “AUD” are to the Australian Dollar, the official currency of the commonwealth of Australia. All references to “BRL” are to the Brazilian Real, the lawful currency in Brazil. All references to “CAD” are to the Canadian Dollar, the lawful currency in Canada. All references to “CHF” are to the Swiss Franc, the lawful currency of Switzerland. All references to “CNY” are to the Chinese Yuan, the lawful currency in China. All references herein to “EUR” are to the Euro, the official currency of the euro area. All references to “GBP” are to Pound Sterling, the lawful currency of the UK. All references to “HKD” are to the Hong Kong Dollar, the lawful currency in Hong Kong. All references to “IDR” are to the Indonesian Rupiah, the lawful currency in Indonesia. All references to “INR” are to the Indian Rupee, the lawful currency in India. All references to “JPY” are to the Japanese Yen, the lawful currency of Japan. All references to “MXN” are to the Mexican Peso, the lawful currency in Mexico. All references to “NZD” are to the New Zealand Dollar, the lawful currency in New Zealand. All references to “RMB” means, generally, Chinese Renminbi, the lawful currency of the People’s Republic of China, and, unless the context otherwise requires, specifically refers to offshore Chinese Renminbi (“CNH”) and not to onshore Chinese Renminbi (“CNY”). CNH represents the exchange rate of Chinese Renminbi traded in Hong Kong or markets outside the People’s Republic of China. All references to “SGD” are to the Singapore Dollar, the lawful currency in Singapore. All references to “TRY” are to the Turkish Lira, the lawful currency in Turkey. All references to “US Dollars” and “USD” are to United States Dollars, the lawful currency of the United States of America.

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# PART 1
# General Information Relating to the Fund

# 1. Important Information

TCW Funds is a *société d'investissement à capital variable* (*SICAV*) incorporated under Luxembourg Law and listed on the official list of undertakings for collective investment authorised under Part I of the 2010 Law which implemented into Luxembourg law (i) the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS and (ii) the implementation measures of the Directive 2009/65/EC.

However, this listing does not require an approval or disapproval of a Luxembourg authority as to the suitability or accuracy of this Prospectus or any Key Investor Information generally relating to the Fund or specifically relating to any Class of Shares. Any declaration to the contrary should be considered as unauthorised and illegal.

The Directors, whose names appear under the heading *Board of Directors* accept joint responsibility for the information and statements contained in this Prospectus and in the Key Investor Information issued for each Class of Shares. To the best of the knowledge and belief of the Directors (who have taken all reasonable care possible to ensure that such is the case), the information and statements contained in this Prospectus are accurate at the date indicated on this Prospectus and do not contain any material omissions which would render any such statements or information inaccurate. Nevertheless the offer, issue or sale of the Shares do not constitute a statement by which the information given by this Prospectus or any Key Investor Information will be at all times accurate, subsequent to the date thereof. Any information or representation not contained in this Prospectus or in the Key Investor Information, or in the financial reports which form an integral part of this Prospectus, must be considered as non-authorised.

In order to take into account any material changes in the Fund, this Prospectus will be updated when necessary. Therefore, prospective investors should inquire as to whether a new version of this Prospectus has been prepared and whether a new Key Investor Information is available.

Key Investor Information shall constitute pre-contractual information. It shall be fair, clear and not misleading. It shall be consistent with the relevant parts of the Prospectus.

No person shall incur civil liability solely on the basis of the Key Investor Information, including any translation thereof, unless it is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus. The Key Investor Information shall contain a clear warning to the effect that no civil liability is incurred on the sole basis of the information for investors including translations thereof unless these do not fulfill the conditions of the above paragraph.

For defined terms used in this Prospectus, if not defined herein, please refer to the *Glossary of Terms*.

**INVESTOR RESPONSIBILITY**

Prospective investors should review this Prospectus and each relevant Key Investor Information carefully in their entirety and consult with their legal, tax and financial advisors in relation to (i) the legal requirements within their own countries for the purchase, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, redemption or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus and each relevant Key Investor Information.

**TARGETED INVESTORS**

The Fund targets both retail or natural persons and Institutional Investors. The risk and reward profile of each Class of Shares is described in the relevant Key Investor Information.

**DISTRIBUTION AND SELLING RESTRICTIONS**

No persons receiving a copy of this Prospectus or any Key Investor Information in any jurisdiction may treat this Prospectus as constituting an invitation to them to subscribe for Shares unless in the relevant jurisdiction such an invitation could lawfully be made without compliance with any registration or other legal requirements.

The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any US Person. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. Each applicant for Shares will be required to certify whether it is a US Person.

The Shares are being offered outside the United States in reliance on an exemption from registration under Regulation S under the 1933 Act and if offered in the United States will be offered to a limited number of "accredited investors" (as defined in Rule 501(a) of Regulation D under the 1933 Act) in reliance on the private placement exemption from the registration requirements of the 1933 Act provided by section 4(2) of the 1933 Act and Regulation D thereunder.

The Fund will not be registered under the United States Investment Company Act of 1940, as amended. Based on interpretations of the Investment Company Act by the staff of the United States Securities and Exchange Commission (the "**SEC**") relating to foreign investment companies, if the Fund has more than one hundred beneficial owners of its securities who are US Persons, it may become subject to the registration requirements under the Investment Company Act. The Directors will not knowingly permit the number of holders of Shares who are US Persons to exceed ninety (or such lesser number as the Directors may determine). To ensure this limit is maintained the Directors may decline to register a transfer of Shares to or for the account of any US Person and may require the mandatory repurchase of Shares beneficially owned by US Persons. The Fund retains the right to offer only one Class of Shares for subscription in any particular jurisdiction in order to conform to local law, custom, business practice or the Fund's commercial objectives.

## RELIANCE ON THIS PROSPECTUS AND ON THE KEY INVESTOR INFORMATION

**Shares in any Sub-Fund described in this Prospectus as well as in the relevant Key Investor Information are offered only on the basis of the information contained therein and (if applicable) any addendum hereto and the latest audited annual report and any subsequent semi-annual report of the Fund**.

Any further information or representations given or made by any Distributor, Intermediary, dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation in connection with the offering of Shares other than those contained in this Prospectus and (if applicable) any addendum hereto and in any subsequent semi-annual or annual report for the Fund and, if given or made, such information or representations must not be relied on as having been authorised by the Directors, the Conducting Officers**,** the Investment Manager, the Depositary Bank, the Administrative Agent or the Registrar Agent. Statements in this Prospectus are based on the law and practice currently in force in Luxembourg at the date hereof and are subject to change. Neither the delivery of this Prospectus or of the Key Investor Information nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Fund have not changed since the date hereof.

Prospective investors may obtain, free of charge, on request, a copy of this Prospectus and of the Key Investor Information relating to the Class(es) of Shares in which they invest, the annual and semi-annual financial reports of the Fund and the Articles of Incorporation at the registered office of the Fund, or the Depositary Bank.

The Fund shall provide Investors with the Key Investor Information in good time before their proposed subscription of Shares. The Fund shall provide Key Investor Information to product manufacturers and intermediaries selling the Shares to investors or advising investors on potential investments in the Fund or in products offering exposure to the Fund upon their request. The intermediaries selling or advising investors on potential investment in the Fund must provide Key Investor Information to their clients or potential clients.

The Key Investor Information shall be provided to investors free of charge. The Key Investor Information may be delivered in a durable medium or by means of a website. A hard copy shall be supplied to investors on request and free of charge. In addition an up to date version of the Key Investor Information shall be published on the website of the Fund or the Investment Manager or one of its affiliates. The essential elements of the Key Investor Information must be kept up to date.

This Prospectus contains forward-looking statements, which provide current expectations or forecasts of future events. Words such as "may", "expects", "future" and "intends", and similar expressions, may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements include statements about the Fund's plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are subject to known and unknown risks and uncertainties and inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Prospective Investors should not unduly rely on these forward-looking statements, which apply only as of the date of this Prospectus.

## INVESTMENT RISKS

**Investment in any Sub-Fund carries with it a degree of financial risk, which may vary among Sub-Funds. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. Investment risk factors for an investor to consider are set out under Appendix II entitled *Special Risk Considerations and Risk Factors*.**

**The average recommended investment horizon also varies according to the several Sub-Funds as more fully described in Part II of the Prospectus for a Sub-Fund.**

## MARKET TIMING AND LATE TRADING POLICY

The Fund does not knowingly allow investments which are associated with market timing practices, as such practices may adversely affect the interests of all Investors and intends to seek to restrict or reject such trading or take other action, as described below, if in the judgment of the Fund or its Transfer Agent such trading may interfere with the efficient management of the portfolio of any Sub-Fund, may materially increase the Sub-Fund's transaction costs, administrative costs or taxes, or may otherwise be detrimental to the interests of the Fund and its Shareholders.

As per the CSSF Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the UCI.

Opportunities may arise for the market timer either if the Net Asset Value of the UCI is calculated on the basis of market prices which are no longer up to date (stale prices) or if the UCI is already calculating the Net Asset Value when it is still possible to issue orders.

Market timing practices are not acceptable as they may affect the performance of the Fund through an increase of the costs and/or entail a dilution of the profit.

Accordingly, the Directors may, whenever they deem it appropriate and at their sole discretion, cause the Registrar Agent and the Administrative Agent, respectively, to implement any of the following measures:

- Cause the Registrar Agent to reject any application for conversion and/or subscription of Shares from investors whom the former considers market timers.

- The Registrar Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices.

- If a Sub-Fund is primarily invested in markets which are closed for business at the time the Sub-Fund is valued, during periods of market volatility cause the Administrative Agent to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Sub-Fund's investments at the point of valuation.

There is no assurance that the Fund or its agents will gain access to any or all information necessary to detect market timing. While the Fund will seek to take actions (directly and with the assistance of financial intermediaries) that will detect market timing, the Fund cannot represent that such trading activity can be completely eliminated.

Late trading is to be understood as the acceptance of a subscription (or conversion or redemption) order after the relevant dealing deadline on the relevant Dealing Day and the execution of such order at the price based on the Net Asset Value applicable to such same Dealing Day. Late trading is strictly forbidden.

*Monitoring Intermediaries*

Investors are subject to this policy whether they are a direct Shareholder of a Sub-Fund or are investing indirectly through a financial intermediary such as a bank, an insurance company, an investment advisor, or any other distributor that acts as nominee for investors subscribing the Shares in their own name but on behalf of its customers.

While the Fund will encourage financial intermediaries to apply the Fund's market timing policy to their customers who invest indirectly in the Fund, the Fund is limited in its ability to monitor the trading activity or enforce its policy with respect to customers of financial intermediaries. For example, should it occur, the Fund may not be able to detect market timing that may be facilitated by financial intermediaries or made difficult to identify in the accounts used by those intermediaries for aggregated purchases, switches and sales on behalf of all their customers. More specifically, unless the financial intermediaries have the ability to apply the Fund's policy to their customers through such methods as implementing short-term trading limitations or restrictions, monitoring trading activity for what might be market timing, the Fund may not be able to determine whether trading by customers of financial intermediaries is contrary to the Fund's policy

## DATA PROTECTION

In accordance with the provisions of the Luxembourg law of 2 August 2002 on the protection of persons with regard to the processing of Personal Data, as amended from time to time (the "Luxembourg Data Protection Law"), the Shareholders are informed that the Fund, as data controller, collects, stores and processes by electronic or other means the data supplied by Shareholders at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with its legal obligations including, but not limited to, tax reporting obligations (if any).

The data processed may include, in particular, the Shareholder's name, address, contact details invested amount, details of tax residence (the "Personal Data").

The Shareholder may, at his/her/its discretion, refuse to communicate the Personal Data to the Fund. In this event the Board of Directors may reject his/her/its request for subscription for Shares in the Fund. Moreover, failure to provide requested information may subject the Shareholder to liability for any resulting penalties or other charges and/or mandatory redemption of its Shares in the Fund.

In particular, the Personal Data supplied by Shareholders is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of distributions to Shareholders, (iii) maintaining controls in respect of late trading and market timing practices, (iv) complying with applicable anti-money laundering and terrorism financing rules, (v) tax identification and reporting, (vi) marketing.

A Shareholder may object to the use of his/her/its Personal Data for marketing purposes. This objection must be made in writing to the Fund at the following address:

TCW FUNDS
28-32, Place de la gare,
L-1616 Luxembourg,
Grand Duchy of Luxembourg

The Fund may delegate the processing of the Personal Data to one or several entities (the "Processors") which are located in the European Union (the "EU") or in other countries which are deemed to offer an adequate level of protection by the European Commission or the National Commission for Data Protection (such as the Administrative Agent, the Registrar and Transfer Agent) or which are located outside such countries (such as any facilities agents and/or representatives).

To enable the Fund to process Personal Data for the purposes set out above, and for no other purpose, the Shareholders consent, by investing in the Fund, to their Personal Data being disclosed and transferred both to countries which ensure that an adequate level of protection is complied therewith, and to other countries, which may not have data protection laws as protective as those within the EU.

Personal Data may be transferred to third parties such as governmental or regulatory bodies including tax authorities (in particular for compliance with FATCA and CRS rules as further specified in this Prospectus), auditors and accountants in Luxembourg as well as in other jurisdictions. The Fund undertakes not to transfer the Personal Data to any third parties other than the Processors, except if required by law or with the prior consent of the relevant Shareholder.

Each Shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such Personal Data is inaccurate and/or incomplete. For these purposes, the Shareholder may contact the Fund in writing at the address indicated above.

For the avoidance of any doubt, it being understood that certain Personal Data may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Fund, the Registrar Agent, the Management Company and other financial intermediaries. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering identification, tax identification under the Council Directive 2003/48/EC regarding the taxation of savings income (the “EU Savings Directive”) EU Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU), the OECD’s standard for automatic exchange of financial account information (commonly referred to as the “Common Reporting Standard”), and any other exchange of information regimes to which the Fund may be subject to from time to time) and to provide client-related services. Such information shall not be passed on any unauthorised third persons.

Prospective investors should note that by completing the subscription agreement, they are providing information that may constitute personal data within the meaning of European data protection legislation (including the EU Data Protection Directive (95/46/EC), the EU General Data Protection Regulation (Regulation (EU) 2016/679) (the “**GDPR**”) and any other EU or national legislation which implements or supplements the foregoing). The use of the personal data investors provide to the Fund in the subscription form is governed by the GDPR and the terms of a privacy notice, which will be provided to the investors. The data controller of the personal data provided by the investors is the Fund.

**By subscribing to the Shares, each Shareholder consents to such processing of his/her/its personal data. This consent is formalized in writing in the subscription form used by the relevant Intermediary.**

## FATCA

The Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act enacted in March 2010 (the “FATCA”) generally impose a reporting to the U.S. Internal Revenue Service of US Persons’ direct and indirect ownership of non-U.S. accounts and non-U.S. entities (within the meaning of FATCA provisions). Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

## SECURITIES FINANCING TRANSACTIONS

The Fund is not authorized to enter into transactions covered under the EU Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (the “SFTR”).

Should any Sub-Fund enter into transactions covered under the SFTR , all the relevant information will be disclosed in the General part of the Prospectus and in the Appendix of the relevant Sub-Fund in accordance with article 14.2 of the SFTR.

**By subscribing to the Shares, each Investor consents to such processing of its personal data. This consent is formalised in writing in the subscription form used by the relevant Intermediary.**

### Reliance on Regulatory Exemption under the United States Commodity Exchange Act

With respect to trading in futures, swaps, certain currency contracts or other derivatives regulated as commodity interests under the United States Commodity Exchange Act (the “CEA”), the Investment Manager intends to operate each Sub-Fund so as to be exempt from registration as a commodity pool operator in reliance upon Rule 4.13(a)(3) promulgated by the United States Commodity Futures Trading Commission (“CFTC”) under the CEA. CFTC Rule 4.13(a)(3) provides an exemption from registration as a commodity pool operator to operators of pools (i) the interests in which are exempt from registration under the 1933 Act and are offered and sold without marketing to the public in the United States, (ii) the participants of which are limited to “accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act, trusts that are not accredited investors but were formed by accredited investors for the benefit of family members, “qualified eligible persons” as defined in CFTC Rule 4.7 (including “Non-United States persons”, as defined in said rule), and “knowledgeable employees” as defined in the United States Investment Company Act of 1940 and the rules thereunder, and (iii) that engage in a limited amount of commodity interest transactions, as defined in CFTC Rule 4.13(a)(3). As a result, the Investment Manager and each Sub-Fund are not required to deliver to Shareholders a disclosure document and a certified annual report prescribed under CFTC rules.

# 2. Fund Organisation

**TCW Funds**
28-32 Place de la Gare
L-1616 Luxembourg

**BOARD OF DIRECTORS OF THE FUND**

CHAIRMAN:

Stanislas DEBREU, Executive Vice President of TCW Investment Management Company LLC

DIRECTORS:

Meredith JACKSON, Executive Vice President, General Counsel and Secretary of TCW Investment Management Company LLC

Gian Luca GIURLANI, Managing Director of TCW Europe, London

Cal RIVELLE, Group Managing Director of TCW Investment Management Company LLC

**MANAGEMENT COMPANY**

Carne Global Fund Managers (Luxembourg) S.A.
6b Route de Trèves
L-2633 Senningerberg, Luxembourg

**INVESTMENT MANAGERS (Please refer to Appendix III for a list of Sub-Fund(s) managed by each investment manager)**

TCW Investment Management Company LLC
865 South Figueroa Street
Los Angeles, CA 90017
United States

**INVESTMENT SUB-MANAGERS (Please refer to Appendix III for a list of Sub-Fund(s) managed by each investment sub-manager)**

Amundi Japan Limited
1-2-2, Uchisaiwaicho Chiyoda-Ku,
Tokyo 100 – 0011
Japan

**DEPOSITARY BANK AND PAYING AGENT**

Société Générale Bank & Trust
11, Avenue Emile Reuter
L-2420 Luxembourg

**ADMINISTRATIVE, CORPORATE AND DOMICILIARY AGENT**

Société Générale Bank & Trust
11, Avenue Emile Reuter
L-2420 Luxembourg
Operational center:
28-32 Place de la gare
L-1616 Luxembourg

**REGISTRAR AGENT**

Société Générale Bank & Trust
11, Avenue Emile Reuter
L-2420 Luxembourg
Operational center:
28-32 Place de la gare
L-1616 Luxembourg

**PRINCIPAL DISTRIBUTOR**

TCW Funds Distributors LLC
865 South Figueroa Street
Los Angeles, CA 90017
United States

**AUDITORS**

Deloitte Audit, S.à.r.l.
560, rue de Neudorf
L-2220 Luxembourg

**LEGAL ADVISERS**

*As to Luxembourg law*
Linklaters LLP
Avenue John F. Kennedy 35
L-1855 Luxembourg

*As to United States law*
Paul Hastings LLP
55 Second Street
San Francisco, CA94105
United States

# 3. List of Sub-Funds

**Investment Managers and Sub-Funds**

**TCW Investment Management Company LLC:**

TCW Funds - MetWest Total Return Bond Fund

TCW Funds - MetWest Unconstrained Bond Fund

TCW Funds - TCW Income Fund

TCW Funds - TCW Total Return Bond Fund

TCW Funds - MetWest High Yield Bond Fund

TCW Funds - TCW Emerging Markets Income Fund

TCW Funds - TCW Emerging Markets Local Currency Income Fund

TCW Funds - TCW Select Equities Fund

TCW Funds – TCW Global Artificial Intelligence Equity Fund

TCW Funds – TCW Global Premier ESG Equities Fund

TCW Funds - TCW US REIT Income Fund

TCW Funds - TCW Multi-Income US Equities Fund

In the case of Sub-Funds or Classes which are not launched, the Board of Directors is empowered to determine at any time the initial period of subscription and the initial subscription price; at the launch of any Class of Shares in a Sub-Fund, the relevant Key Investor Information shall be updated to provide the investors with the relevant information.

# 4. Introduction to the Fund

## A. INCORPORATION OF THE FUND

The Fund was incorporated on December 7, 2011 for an unlimited period as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as an open-ended s*ociété d'investissement à capital variable* under part I of the 2010 Law.

The deed of incorporation of the Fund, including the Articles of Incorporation, were published in the *Mémorial* number 3212 on December 30, 2011. The Articles of Incorporation were amended on May 22, 2012. The coordinated Articles of Incorporation were published in the *Mémorial* number 1398 on June 6, 2012.

The capital of the Fund is expressed in USD, represented by Shares with no mention of nominal value, paid in full at the time of their issue. The capital is at all times equal to the total of the Net Assets of all the Sub-Funds.

The Articles of Incorporation have been deposited and are available for inspection at the Luxembourg Trade Register (*Registre de commerce et des sociétés de Luxembourg*). The Fund is registered with the Luxembourg Trade Register under number B 165.275.

## B. ELIGIBILITY OF THE FUND

In order to be eligible for investment by UCITS, the Fund may not, pursuant to the Articles of Incorporation and the investment restrictions, invest more than 10% of its net assets in units or shares of other UCITS and/or other UCIs.

## C. ALLOCATION OF ASSETS AND LIABILITIES

The Fund is an **"umbrella fund"** within the meaning of article 181 of the 2010 Law and is divided into multiple Sub-Funds each representing a separate portfolio of assets and series of shares. At the date of the Prospectus the Fund comprises one Sub-Fund as set forth under the heading *List of Sub-Funds*. Any particular Sub-Fund can be further divided into different Classes to accommodate different subscription and redemption provisions and/or fees and charges to which they are subject, as well as their availability to certain types of investors. All references to a Sub-Fund, shall, where the context requires, include any Class of Shares that belongs to such Sub-Fund.

The Fund may create further Sub-Funds, thereby issuing new Classes. When such new Sub-Funds are created, this Prospectus will be amended accordingly, in order to provide all the necessary information on such new Sub-Funds. A Key Investor Information relating to each new Sub-Fund's Class of Shares will also be issued accordingly.

Each Sub-Fund corresponds to a separate portfolio of assets. Each such portfolio of assets is allocated only to the Shares in issue and outstanding within each Sub-Fund. Each Sub-Fund and Class, if any, will bear its own liabilities.

The following provisions shall apply to each Sub-Fund:

(a) separate records and accounts shall be maintained for each Sub-Fund as the Board of Directors and the Depositary Bank shall from time to time determine;
(b) the proceeds from the issue of Shares shall be recorded in the accounts of the Sub-Fund and the assets and liabilities and income and expenditures attributable thereto shall be applied to such Sub-Fund subject to the provisions of this Prospectus; and
(c) where any asset is derived from any other asset, such derivative asset shall be applied in the records and accounts of the Fund to the same Sub-Fund as the asset from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Sub-Fund.

With regard to third parties, the Fund shall constitute a single legal entity; however, by derogation from Article 2093 of the Luxembourg Civil Code, the assets of any particular Sub-Fund are only applicable to the debts, commitments and obligations of that Sub-Fund. The assets, commitments, charges and expenses which, due to their nature or as a result of a provision of this Prospectus, cannot be allocated to one specific Sub-Fund will be charged to the different Sub-Funds proportionally to their respective Net Asset Values and pro rata temporis.

**As between the Investors, each Sub-Fund shall be treated as a separate legal entity.**

### D. NET ASSET VALUE

The Shares are issued and redeemed at their Net Asset Value determined on each Valuation Day and calculated on the Calculation Day defined in the appendix for the relevant Sub-Fund.

Given that the Sub-Funds are exposed to market fluctuations and the risks inherent to any investment, the value of the net assets (the **"Net Assets"**) of the Sub-Funds will vary in consequence.

The Net Asset Value of each Class of Shares, calculated on each relevant Valuation Day, is expressed in its NAV Currency.

In each Sub-Fund, the Board of Directors may, but is not required to, issue more than one Class of Shares.

For further information on the Classes of Shares, investors should refer to the chapter entitled "*The Shares*" and "Appendix I - *Classes of Shares*" that may be issued by the Fund detailing the available Classes for each Sub-Fund as well as their characteristics.

An Investor may be entitled, under certain conditions, to switch from one Class of Shares to another Class of Shares within the same or another Sub-Fund on any Valuation Day. The conversion of a Class of Shares into another Class of Shares is subject to certain restrictions, due to the specific features of the relevant Classes (please refer to the chapter entitled *Conversion of Shares*).

The Board of Directors may apply to list the Shares on the official listing of the "Bourse de Luxembourg".

# 5. Administration and Management of the Fund

### A. THE BOARD OF DIRECTORS

The Board of Directors is responsible for determining the Fund's investment objectives and policies and overseeing the management and administration of the Fund.

### B. THE MANAGEMENT COMPANY

The Management Company is a société anonyme established as a Luxembourg *société de gestion* on 17 September 2009 pursuant to Chapter 15 of the Law. The articles of incorporation of the Management Company have been lodged with the Luxembourg Trade and Companies' Register and have been published in the Mémorial on 4 November 2009. The articles of incorporation of the Management Company were most recently updated on 11 December 2015 and this amendment was published in the Mémorial C on 17 February 2016. The Management Company is registered with the Luxembourg Trade and Companies' Register under number B-148258.

In accordance with and subject to the terms of the Management Company Agreement and under its own supervision and responsibility, the Management Company is authorised to delegate its management and advisory duties and functions. Any such delegation is subject to the prior approval of the Fund and, to the extent required by applicable law and any regulatory authorities. The expenses in relation to any such delegation will be paid directly by the Fund. In agreement with the Fund, the Management Company has decided to delegate several of its functions as is further described in this Prospectus. The Management Company adopts procedures aiming to control that the execution of the mandates given to the different agents are carried out in accordance with the conditions agreed and in compliance with the rules and regulations in force.

In addition to the Fund, the Management Company also manages other undertakings for collective investment.

The Management Company shall be in charge of the management and administration of the Fund, and will provide risk management services, cash management and treasury services to the Fund, along with middle and back office services relating to each Sub-Fund's portfolio.

## C. THE INVESTMENT MANAGERS

The Management Company has delegated under its responsibility and control to TCW Investment Management Company LLC the management of the investments of the Sub-Funds pursuant to an investment management agreement (as may be amended from time to time) (the "**Investment Management Agreement**").

TCW Investment Management Company was initially incorporated as a corporation in the State of California and registered as a US investment adviser with the SEC. As of April 1st, 2016, TCW Investment Management Company LLC was converted into a Delaware Limited Liability Company. It is majority-owned and controlled by its parent company, The TCW Group, Inc. As of December 31, 2015, TCW Investment Management Company LLC and its affiliated companies, which provide a variety of trust, investment management and investment advisory services, had approximately USD 180 billion of assets under management or committed to management.

The Investment Manager is authorised to delegate its functions to one or more Investment Sub-Manager(s). Refer to Appendix III for a list of the Investment Managers and Investment Sub-Managers. Should it be the case, the Prospectus and the Key Investor Information may be updated.

The Investment Management Agreement is concluded for an undetermined period of time and may be terminated at any time by either party with six months' prior notice. The remuneration payable to the Investment Manager is described under the chapter entitled *Fees and Expenses*.

## D. PRINCIPAL DISTRIBUTOR AND OTHER INTERMEDIARIES

The Management Company may delegate under its responsibility and control, to one or several banks, financial institutions and Intermediaries the ability to offer and sell the Shares to investors and to handle the subscription, redemption, conversion or transfer requests of Investors. Subject to the law of the countries where Shares are offered, such Intermediaries may, with the agreement of the Management Company, act as nominees for the investor.

The Management Company has appointed TCW Funds Distributors LLC to act as Principal Distributor of the Fund pursuant to a distribution agreement (as can be amended from time to time) (the "**Distribution Agreement**").

TCW Funds Distributors was initially incorporated as a corporation in the State of California and registered as a US broker-dealer with the Financial Industry Regulatory Authority. As of April 1st, 2016, TCW Funds Distributors LLC was converted into a Delaware Limited Liability Company It is majority-owned and controlled by its parent company, The TCW Group, Inc.

## E. ADMINISTRATIVE, CORPORATE AND DOMICILIARY AGENT

Société Générale Bank and Trust has been appointed pursuant to an agreement with the Management Company as administrative, corporate and domiciliary agent (the "**Administration Agreement**").

In such capacities, Société Générale is responsible for the administrative functions required by Luxembourg law such as the calculation of the Net Asset Value and the maintenance of accounting records.

## F. REGISTRAR AGENT

Société Générale Bank & Trust has been appointed by the Management Company pursuant to an agreement concluded with the Fund to act as Registrar Agent of the Fund (the "**Registrar Agent Agreement**").

The Registrar Agent will be responsible for handling the processing of subscriptions for Shares, dealing with requests for redemptions and conversions and accepting transfers of funds, for the safekeeping of the register of the Investors, the delivery of share certificates ("**Share Certificates**"), if requested, the safekeeping of all non-issued Share Certificates of the Fund, for accepting Shares Certificates rendered for replacement, redemption or conversion and for providing and supervising the mailing of reports, notices and other documents to the Investors, as further described in the above mentioned agreement.

## G. DEPOSITARY AND PRINCIPAL PAYING AGENT

Société Générale Bank & Trust is the Fund's depositary and paying agent (the **Depositary**). The Depositary will assume its functions and duties in accordance with articles 33 to 37 of the 2010 Law and the EU Level 2 Regulation. The relationship between the Fund and the Depositary is subject to the terms of a depositary and paying agent agreement entered into for an unlimited period of time (the **Depositary Agreement**). Each party to the Depositary Agreement may terminate it upon a ninety (90) calendar days' prior written notice.

In accordance with the 2010 Law, and pursuant to the Depositary Agreement, the Depositary carries out, *inter alia*, the safe-keeping of the assets of the Fund as well as the monitoring of the cash flows and the monitoring and oversight of certain tasks of the Fund.

The Depositary may delegate Safe-keeping Services (as defined in the Depositary Agreement) to Safe-keeping Delegates under the conditions stipulated in the Depositary Agreement and in accordance with article 34*bis* of the 2010 Law and articles 13 to 17 of the EU Level 2 Regulation. A list of the Safe-keeping Delegates is attached as Appendix V to this Prospectus. As the case may be, should the deposit of all the assets of the Fund be concentrated with a limited number of third party, adequate disclosure should also be included in Appendix V. The Depositary is also authorized to delegate any other services under the Depositary Agreement other than Oversight Services and Cash Monitoring Services (as defined in the Depositary Agreement).

The Depositary is liable to the Fund for the loss of Held In Custody Assets (as defined in the Depositary Agreement and in accordance with article 18 of the UE Level 2 Regulation) by the Depositary or the Safe-keeping Delegate. In such case, the Depositary shall be liable to return a Held In Custody Assets of an identical type or the corresponding amount to the Fund without undue delay, unless the Depositary can prove that the loss arose as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In performing any of its other duties under the Depositary Agreement, the Depositary shall act with all due skill, care and diligence that a leading professional custodian for hire engaged in like activities would observe. The Depositary is liable to the Fund for any other losses (other than loss of Held In Custody Assets described above) as a result of negligence, bad faith, fraud, or intentional failure on the part of the Depositary (and each of its directors, officers, servants or employees).

The liability of the Depositary as to Safe-keeping Services shall not be affected by any delegation as referred to in article 34bis of the 2010 Law or excluded or limited by agreement.

In case of termination of the Depositary Agreement, a new depositary shall be appointed. Until it is replaced, the resigning or, as the case may be, removed depositary shall take all necessary steps for the safeguard of the interests of the Shareholders.

The Depositary is a wholly-owned subsidiary of Société Générale, a Paris-based credit institution. The Depositary is a Luxembourg public limited company registered with the Luxembourg trade and companies register under number B 6061 and whose registered office is situated at 11, avenue Emile Reuter, L-2420 Luxembourg. Its operational center is located 28-32, place de la Gare, L-1616 Luxembourg. It is a credit institution in the meaning of the law of 5 April 1993 relating to the financial sector, as amended.

The Depositary is not responsible for any investment decisions of the Fund or of one of its agents or the effect of such decisions on the performance of a relevant Sub-fund.

In addition, Société Générale Bank & Trust will act as the Fund's principal paying agent. In that capacity, Société Générale Bank & Trust will have as its principal function the operation of procedures in connection with the payment of distributions and, as the case may be, redemption proceeds on the Shares of the Fund.

Up-to-date information regarding this section G “Depositary and Principal Paying Agent” as well as Appendix V of the Prospectus will be made available to shareholders on request.

In all circumstances the Depositary shall, in carrying out its functions of depositary, act honestly, fairly, professionally and independently and solely in the interest of the Fund and its Shareholders in accordance with article 37 of the 2010 Law. In this respect, the activities of the Depositary are managed and organised in such a way as to minimise any potential conflicts of interest. In particular, the Depositary has, functionally and hierarchically, separated the performance of its depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are identified, managed, monitored and disclosed in Appendix VI to the Prospectus.

In this respect, Société Générale Bank & Trust in its capacity, in one hand, as depositary and paying agent and, on the other hand, as administrative agent and registrar agent of the Fund (i) has established, implemented and maintains operational an effective conflicts of interest policy; (ii) has established a functional, hierarchical and contractual separation between the performance of its depositary functions and the performance of other tasks and (iii) proceeds with the identification as well as the management and adequate disclosure of potential conflicts of interest in the manner described in the preceding paragraph.

### H. AUDITOR

Deloitte S.A. has been appointed by the Fund as its auditors.

# 6. Investment Objectives and Policies General

The Fund has been established for the purpose of investing in Transferable Securities, Money Market Instruments, as well as in other permitted assets in accordance with the 2010 Law.

The Sub-Funds invest in accordance with the investment objective and policy of each Sub-Fund as defined in each Sub-Fund Annex under Part II of the Prospectus, the restrictions under the section entitled *Investment Restrictions* and the other limits specified in this Prospectus.

**The investment objective and policy of certain Sub-Funds, as described below, may refer to investments in various geographical areas, countries, economic sectors and/or categories of issuers of securities, but market or other conditions may make it, from time to time, inappropriate for a Sub-Fund to invest in all the geographical areas, countries, economic sectors and/or categories of issuers referred to in its investment policy.**

**There can be no assurance that the Sub-Funds will be successful in producing the desired results of their investment objective and policy.**

Further, and except as specifically provided otherwise, each of the Sub-Funds described herein reserves the possibility to invest in instruments denominated in currencies other than its base currency, it being specified that the exchange risk may be hedged, by using the available techniques and instruments described in the section entitled *Investment Techniques*.

In accordance with the Investment Restrictions *(*please refer to the section entitled *Investment Restrictions)*, the Sub-Funds may employ techniques and instruments for the purpose of Efficient Portfolio Management.

The use of these techniques and instruments will have the effect of changing the exposure of the Sub-Fund in order to optimise the performance; however, the increased exposure of the Sub-Fund might lead the Net Asset Value to go down in a more important manner or to go up to a lesser extent than the one which would result exclusively from market fluctuations.

Each Sub-Fund may engage in defensive investing, which is a deliberate, temporary shift in portfolio strategy that may be undertaken when markets start behaving in volatile or unusual ways. The Sub-Funds may, for temporary defensive purposes, invest a substantial part of their assets in cash or cash equivalents, high quality, short-term money market instruments, bonds of U.S. or foreign governments, certificates of deposit, bankers' acceptances, high-grade commercial paper, and repurchase agreements. When a Sub-Fund has invested defensively in low risk, low return securities, it may not achieve its investment objectives and strategies.

# 7. Investing in the Fund

## A. THE SHARES

### 1. Classes of Shares

The Fund's capital is represented by Shares with no mention of nominal value. All Shares are paid entirely upon issue.

The Board of Directors may at any time issue new Shares without granting existing Investors a preferred subscription right. Such newly issued Shares, at the discretion of the Board of Directors, may belong to different Sub-Funds or Classes. The proceeds of the issue of each Class are allocated to the relevant Sub-Fund. The Articles of Incorporation set forth the procedure for allocating assets of the Fund among the Sub-Funds.

In order to determine the Fund's share capital, the Net Assets of each Sub-Fund are, if not expressed in USD, converted into USD and the capital will be equal to the total, expressed in USD of the Net Assets of each Sub-Fund.

Within each Sub-Fund, the Directors may create Distribution Shares or Shares with earnings reinvested, and corresponding to (i) a specific structure of subscription or redemption fees, and/or (ii) a specific structure of management or advisory fees, and/or (iii) a specific structure of fees paid to Intermediaries. Within each Class of Shares, Distribution Shares may be issued giving the right to monthly (-MD), quarterly (-QD), semi-annual (-SD) or annual (-YD) dividends (see Appendix I – *Classes of Shares*).

For further information on the Classes of Shares, investors should refer to Part II Sub-Fund Particulars.

Classes of Shares may differ according to the applicable rate of *Taxe d'abonnement* (see the chapter entitled *Taxation*), according to the applicable rate of management fees (see Appendix I – *Classes of Shares*), in the exchange risks and according to the giving right or no right to dividend payments, frequency of dividend payments, etc.

In each Sub-Fund, the Fund may, but is not required to, issue one or more of the following Classes of Shares, each of which may be issued as Distribution Shares of varying frequency (see above):

**Class "A" Shares**
This Class of Shares is dedicated to any individual or legal entity and may be expressed in different currencies. The minimum subscription amount is one (1) share.

**Class AC Shares** are denominated in CHF.

**Class ACHC Shares** are denominated in CHF and hedged against the exchange risk between the Sub-Fund's base currency and the CHF.

**Class AE Shares** are denominated in EUR.

**Class AEHE Shares** are denominated in EUR and hedged against the exchange risk between the Sub-Fund's base currency and the EUR.

**Class AGHG Shares** are denominated in GBP and hedged against the exchange risk between the Sub-Fund's base currency and the GBP.

**Class AR Shares** are denominated in CNH.

**Class ARHR Shares** are denominated in CNH and hedged against the exchange risk between the Sub-Fund's base currency and the CNH.

**Class AU Shares** are denominated in USD.

**Class "B" Shares**
This Class of Shares is dedicated to retail and Institutional Investors. Class B Shares are subject to a Deferred Sales Charge as described in Appendix 1. The way this charge is calculated as more fully described below in the section entitled *Deferred Sales Charge*.

**Class BJHJ Shares** are denominated in JPY and hedged against the exchange risk between the Sub-Fund's base currency and the JPY. The minimum initial subscription amount is fifty million Japanese Yen (JPY 50 million) or 5,000 shares unless otherwise approved by the Directors.

**Class "ATF" Shares**
This Class of Shares is dedicated to retail and Institutional Investors who will buy or sell the Shares on the ATFund market of Borsa Italiana, the Italian Stock Exchange. The ATFund market is a segment of Borsa Italiana dedicated to open-ended UCI funds. A cotation on this new segment will not mean that the Fund is to be considered as an ETF. Subscriptions in Class ATF Shares can be only made in whole numbers of shares (no decimals) with a minimum subscription amount of one (1) share. No Dilution Levy will be applied on Class ATF Shares.

**Class ATFE Shares** are denominated in EUR with no currency hedge.

**Class ATFHE Shares** are denominated in EUR with a currency hedge in EUR.

**Class "F" Shares**
This Class of Shares is only available through a network of Distributors specifically authorised by the Directors and may be expressed in different currencies. The minimum subscription amount is one (1) share.

**Class FEHE Shares** are denominated in EUR and hedged against the exchange risk between the Sub-Fund's base currency and the EUR.

**Class FU Shares** are denominated in USD.

**Class "I" Shares**
This Class of Shares is dedicated to Institutional Investors[1] and in certain limited circumstances, for distribution in certain countries and/or through certain sub-distributors and/or professional investors at the discretion of the Principal Distributor. The minimum initial subscription amount is one million US Dollars (USD 1,000,000) or the equivalent in EUR of USD 1,000,000 unless otherwise approved by the Directors.

**Class IA Shares** are denominated in AUD with no currency hedging.

**Class IAHA Shares** are denominated in AUD and hedged against the exchange risk between the Sub-Fund's base currency and the AUD.

**Class ICHC Shares** are denominated in CHF and hedged against the exchange risk between the Sub-Fund's base currency and the CHF.

**Class IE Shares** are denominated in EUR with no currency hedging.

[1] subscription by Institutional Investors may be made for their own account or for individuals within the framework of a collective savings or any comparable scheme as well fund of funds, Italian GPF, UCITS, UCIs or mandates authorised by the Directors.

**Class IEHE Shares** are denominated in EUR and hedged against the exchange risk between the Sub-Fund's base currency and the EUR.

**Class IGHG Shares** are denominated in GBP and hedged against the exchange risk between the Sub-Fund's base currency and the GBP.

**Class IG Shares** are denominated in GBP with no currency hedging.

**Class IHHH Shares** are denominated in HKD and hedged against the exchange risk between the Sub-Fund's base currency and the HKD.

**Class IR Shares** are denominated in CNH.

**Class IRHR Shares** are denominated in CNH and hedged against the exchange risk between the Sub-Fund's base currency and the CNH.

**Class IU Shares** are denominated in USD.

In the event that Class I Shares are not held by an Institutional Investor, the Directors shall immediately convert, without notice, the Shares into the equivalent, if any, Class A Shares within the same Sub-Fund. If no such Class A Shares are available, the Class I Shares will be redeemed. Any costs and/or fees further to such a conversion or redemption as well as any losses suffered by the relevant Sub-Fund will be borne by the relevant Investor.

**Class "O" Shares**

This Class of Shares is reserved to (i) the Investment Manager or any affiliated or associated person thereof; (ii) other UCIs promoted, advised, managed or sub-managed by the Investment Manager or any affiliated or associated company thereof; (iii) discretionary management mandates, advisory agreements concluded with institutional investors or "dedicated funds" (subscribed substantially by a single institutional investor) with the Investment Manager or any affiliated or associated company thereof and (iv) any Sub-Fund. The minimum subscription amount is one (1) share.

**Class OU Shares** are denominated in USD.

In the event that Class O Shares are held by an Investor who was not or is no longer entitled thereto, the Directors shall immediately convert, without notice or charge, the Shares into the equivalent, if any, Class A Shares within the same Sub-Fund. If no such Class A Shares are available, the Class O Shares will be redeemed. Any costs and/or fees further to such a conversion or redemption as well as any losses suffered by the relevant Sub-Fund will be borne by the relevant Investor.

**Class "R" Shares**

This Class of Shares is dedicated to any individual or legal entity and may be expressed in different currencies. The minimum[1] subscription amount is one million US Dollars (USD 1,000,000) or the equivalent in EUR of USD 1,000,000 unless otherwise approved by the Directors.

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[1] The above R Share Class minima are not applicable at the discretion of the Directors to the underlying clients of financial intermediaries or distributors ('Intermediary') that receive investment advice from the Intermediary and directly pay for this advice under a separate fee arrangement with the Intermediary where the Intermediary has represented this to the Directors.

The Directors may, at any time, decide to compulsorily redeem all Shares from any Shareholder whose holding is less than the minimum holding amount specified above or on application, or who fails to satisfy any other applicable eligibility requirements set out in the Prospectus. In such cases, the Shareholder concerned will receive one month's prior notice so as to be able to increase their holding above such amount or otherwise satisfy the eligibility requirements. Under the same circumstances, the Directors may switch Shares of one Share Class into Shares of another Share Class within the same Sub-Fund with higher charges and fee load.

**Class RC Shares** are denominated in CHF.

**Class RCHC Shares** are denominated in CHF and hedged against the exchange risk between the Sub-Fund's base currency and the CHF.

**Class RE Shares** are denominated in EUR.

**Class REHE Shares** are denominated in EUR and hedged against the exchange risk between the Sub-Fund's base currency and the EUR.

**Class RG Shares** are denominated in GBP.

**Class RGHG Shares** are denominated in GBP and hedged against the exchange risk between the Sub-Fund's base currency and the GBP.

**Class RU Shares** are denominated in USD.

**Class "X" Shares**
This Class of Shares is reserved for certain Institutional Investors[1] and clients of TCW Investment Management Company LLC and its affiliates, who are especially authorised by the Board of Directors to invest in Class X Shares. Holdings in Class X Shares are subject to specific management fees which in certain circumstances may be payable directly by the Investor to the Investment Manager, as agreed in separate agreements on a case by case basis, between said Investor and the Investment Manager. Except for the XSHS Shares, the minimum initial subscription is one hundred thousand Japanese Yen (JPY 100,000), one thousand US Dollars (USD 1,000), one thousand Euros (EUR 1,000) or one thousand British Pound (GBP 1,000) as the case may be. The minimum initial subscription for the XSHS Shares is one million Singapore Dollars (SGD 1,000,000). Subsequent subscriptions may be made in any amount.

**Class XA Shares** are denominated in AUD.

**Class XAHA Shares** are denominated in AUD and hedged against the exchange risk between the Sub-Fund's base currency and the AUD.

**Class XC Shares** are denominated in CHF.

**Class XCHC Shares** are denominated in CHF and hedged against the exchange risk between the Sub-Fund's base currency and the CHF.

**Class XE Shares** are denominated in EUR with no currency hedging.

**Class XEHE Shares** are denominated in EUR and hedged against the exchange risk between the Sub-Fund's base currency and the EUR.

**Class XG Shares** are denominated in GBP with no currency hedging.

**Class XGHG Shares** are denominated in GBP and hedged against the exchange risk between the Sub-Fund's base currency and the GBP.

**Class XHHH Shares** are denominated in HKD and hedged against the exchange risk between the Sub-Fund's base currency and the HKD.

**Class XJ Shares** are denominated in JPY with no currency hedging and give right to a monthly dividend.

**Class XJC Shares** are denominated in JPY with no currency hedging.

**Class XJHJ Shares** are denominated in JPY and hedged against the exchange risk between the Sub-Fund's base currency and JPY. Class XJHJ shares give right to a monthly dividend.

**Class XJHJA Shares** are denominated in JPY and hedged against the exchange risk between the Sub-Fund's base currency and JPY. Class XJHJA shares give right to a monthly dividend. The monthly dividend will be 120 JPY when this Share Class is initially launched. The Board of Directors reserves the right to modify the dividend amount at anytime upon prior notice to the Class shareholders.

**Class XJHJB Shares** are denominated in JPY and hedged against the exchange risk between the Sub-Fund's base currency and JPY. Class XJHJB shares give right to a monthly dividend. The monthly dividend will be 60 JPY when this Share Class is initially launched. The Board of Directors reserves the right to modify the dividend amount at anytime upon prior notice to the Class shareholders.

**Class XR Shares** are denominated in CNH.

**Class XRHR Shares** are denominated in CNH and hedged against the exchange risk between the Sub-Fund's base currency and CNH.

**Class XSHS Shares** are denominated in SGD and hedged against the exchange risk between the Sub-Fund's base currency and SGD.

**Class XU Shares** are denominated in USD.

**Class XXEHE Shares** are denominated in EUR and hedged against the exchange risk between the Sub-Fund's base currency and EUR.

**Class XXGHG Shares** are denominated in GBP and hedged against the exchange risk between the Sub-Fund's base currency and the GBP.

**Class XXU Shares** are denominated in USD.

The Board of Directors has the discretion at any time to convert a holding of Class X Shares into a holding of Class A or Class I Shares of the same Sub-Fund.

For all Classes not expressed in the Sub-Fund base currency, when hedging are undertaken, currency forward, currency futures, currency option transactions and currency swaps may be engaged for the exclusive account of the relevant Share Class in order to preserve the value of a Share Class' currency (hedging) or offer an exposure to another currency against the Sub-Fund's base currency. Where undertaken, the effects of these currency transactions will be reflected in the Net Asset Value and therefore, in the performance of such Share Class. Similarly, any expenses arising from such currency transactions will be borne by the Class in relation to which they have been incurred. It should be understood that the currency transactions will be undertaken whether the base currency is declining or increasing in value relative to the referenced currencies and that there is no segregation of liabilities between Classes of the same Sub-Fund. No assurance can be given that the currency exposure objective will be achieved.

The Shares are freely negotiable, subject to their terms, conditions and minimums as disclosed in this prospectus. In each Sub-Fund, the Shares of each Class benefit in an equal manner from the profits of the Sub-Fund (other than with respect to currency hedging specific to a Share Class), but do not benefit from any preferred right or pre-emption right. At the general meetings of Investors, one vote is granted to each Share, regardless of its Net Asset Value.

Fractions of Shares, up to one thousandth, may be issued, and will participate in proportion to the profits of the relevant Sub-Fund but do not carry any voting rights. Unless otherwise decided by the Board of Directors, in practice fractions of Shares are issued in one hundredths.

The Shares are only issued in registered form and are materialised either by a registered certificate (for any whole number of Shares, and in the denominations of 1, 10 or 100), or by an inscription in the register of the Investors (for any number of Shares, including hundredths of Shares).

In the absence of a specific request for Share Certificates, each Investor will receive written confirmation of the number of Shares held in each Sub-Fund and in each Class of Shares. Upon request, an Investor may receive without any charge, a registered certificate in respect of the Shares held. The certificates delivered by the Fund are signed by two Directors (the two signatures may be either hand-written, printed or appended with a signature stamp) or by one Director and another person authorised by the Directors for the purpose of authenticating certificates (in which case, the signature must be hand-written).

In the event that a Share Certificate has been misplaced, damaged or destroyed, a duplicate may be issued upon request and proper justification, subject to the conditions and guarantees that the Directors may determine. As soon as the new certificate is issued (bearing mention that it is a duplicate), the original certificate will have no value.

The Board of Directors may in its absolute discretion charge the Investor for the cost of the duplicate or the new certificate as well as any expense in relation to the registration in the register of the Investors and as the case may be, with the destruction of the original certificate.

The Directors may restrict or prevent the holding of Shares by any individual or legal entity if such holding is considered detrimental to the Fund or to its Investors. The Directors may also prevent the ownership of Shares by US Persons.

### 2. Deferred Sales Charge

The Deferred Sales Charge for the Class B Shares is based on the Net Asset Value of the Shares being sold or their Net Asset Value when purchased, whichever is less. The calculation is made based on the relevant currency of the Shares being sold. There is no Deferred Sales Charge on Shares acquired through reinvestment of dividends or distributions or on redemption of Class B Shares arising out of death or disability of a shareholder or all shareholders (in case of a single shareholder or in case of a joint shareholding). To keep the Deferred Sales Charge as low as possible, each time an instruction to sell Shares is placed, any Shares in the Investor's holding not subject to a Deferred Sales Charge will be sold first. If there are not enough of these to meet the request, additional Shares will be sold in the order they were purchased. For the purpose of determining the number of years from the date of any purchase all payments during a month are deemed to have been made on the first day of that month. The amount of the Deferred Sales Charge is calculated by multiplying the percentages indicated in the chart in Appendix 1 by the Net Asset Value of the Shares being sold or their Net Asset Value when purchased whichever is less.

If Investors convert Class B Shares (which are subject to a Deferred Sales Charge) of one Sub-Fund for Class B Shares (which are subject to a Deferred Sales Charge) of another Sub-Fund, the transaction will not be subject to a Deferred Sales Charge. However, when Investors redeem the Class B Shares acquired through the conversion, the redemption may be subject to the Deferred Sales Charge, depending upon when Investors originally purchased the Class B Shares.

Amounts assessed as a Deferred Sales Charge are paid to the Principal Distributor, or such other party as the Fund may from time to time appoint to defray distribution costs incurred by the Principal Distributor or such other party. The Deferred Sales Charge may be waived in whole or in part by the Principal Distributor and/or such other party at its discretion either for individual Investors or for particular groups of Investors. In the absence of such waiver, the Fund has committed to pay to the Principal Distributor or the relevant third party the Deferred Sales Charge at the rates set forth in the chart in Appendix 1 net of any taxes. In case any taxes would be payable on said amounts, the amount of Deferred Sales Charge would be increased in a manner to ensure that the agreed amounts are paid net to the Principal Distributor or relevant third party. The Board of Directors has, at the date of this Prospectus, no reason to believe that any taxes are due or levied on the Deferred Sales Charge.

## B. ISSUE OF SHARES

The Board of Directors has authority to effect the issue of Shares in any Sub-Fund or Class of Shares in respect of any Sub-Fund. Issues of Shares will be made with effect from a determined Valuation Day.

Shares are available for subscription through the Registrar Agent and through Intermediaries. The Board of Directors shall reserve the right to refuse any subscription request or only accept part of such request.

The Issue Price (as defined hereafter) per Share is expressed in the NAV Currency for the relevant Sub-Fund, as well as in certain other currencies as may be determined from time to time by the Board of Directors. Currency exchange transactions may delay any issue of Shares since the Registrar Agent may choose at its option to delay executing any foreign exchange transactions until cleared funds have been received.

Applications for subscription must indicate the name of each relevant Sub-Fund and Class of Shares, the number of Shares applied for or the monetary amount to be subscribed, the name under which the Shares are registered and all useful information regarding the person to whom the payments should be made.

The **"Issue Price"** per Share is equal to the Net Asset Value per Share of the relevant Sub-Fund expressed with four decimals and rounded up or down to the nearest unit of the NAV Currency. The Issue Price per Share is calculated on the Calculation Day by the Administrative Agent on each relevant Valuation Day of the Sub-Fund. The Class B Shares are subject to a Deferred Sales Charge. For the Classes denominated in JPY, the Issue Price is expressed with no decimal.

The Shares will be initially offered as determined for each Sub-Fund. After the initial offering period the Shares are issued at the Issue Price determined on the first Valuation Day following the receipt and acceptance of the subscription by the Fund. To be executed on this Valuation Day, any subscription order must be received by the Registrar Agent on the relevant Dealing Day before the relevant Sub-Fund subscription deadline (as more fully described in Appendix IV) (the "Sub-Fund Subscription Deadline"). The subscription order will be processed on that Dealing Day, using the Net Asset Value per Share calculated on the next Valuation Day based on the last available closing prices.

The Dealing Day is the Fund Business Day preceding the Calculation Day.

Any applications for subscription received after the Sub-Fund Subscription Deadline on the relevant Dealing Day, will be processed on the next Dealing Day on the basis of the Net Asset Value per Share determined on the following Valuation Day.

All the subscription requests are dealt at an unknown Net Asset Value ("**forward pricing**").

In addition to the Issue Price, the Principal Distributor or the Intermediary involved in the subscription procedure may charge the subscriber, for the benefit of such Intermediary, a subscription fee. For more detailed information, please refer to Appendix I entitled *Classes of Shares*.

The price thus determined shall be paid in the NAV Currency of the relevant Class of Shares or in any other currency specified by the subscriber (in which case all fees and charges relating to exchange shall be borne by the subscriber) in accordance to the terms and conditions laid out in the Appendix for the relevant Sub-Fund.

In certain circumstances, the Board of Directors will be authorised to charge a "**dilution levy**" on the issue of Shares, as described below in the section entitled *Dilution Levy*.

The issued Shares shall only be delivered to the Investor upon receipt by the Fund of the payment of the total Issue Price for such Shares. After the initial offering period, the payment of any subscription will be made to the Fund within seven Fund Business Days following the day on which the Issue Price of the concerned Shares has been determined, unless otherwise provided for in Part II of the Prospectus for a Sub-Fund.

The Fund will not issue Shares in a given Sub-Fund during the periods when the calculation of the Net Asset Value of the Sub-Fund has been suspended (see *Temporary Suspension of the Net Asset Value Calculation*).

In compliance with the Articles of Incorporation, the Board of Directors may prevent the holding of Shares by any US Person.

### 1. Intermediaries Acting as Nominees

Subject to the laws of the countries where the Shares are offered, Intermediaries may, with the agreement of the Fund, act as nominee for an Investor.

In this capacity, the Intermediary shall apply for the subscription, conversion or redemption of Shares for the account of its client and request registration of such operations in the register of the Investors in the name of the Intermediary.

Notwithstanding the foregoing, an Investor may invest directly in the Fund without using the services of a nominee. The agreement between the Fund and any nominee shall contain a provision that gives the Investor the right to exercise its title to the Shares subscribed through the nominee. The nominee agent will have no power to vote at any general meeting of Investors, unless the Investor grants it a power of attorney in writing with authority to do so. At all times, subscribers retain the ability to invest directly in the Fund without using the nominee service.

An investor may ask at any time in writing that the Shares shall be registered in his name and in such case, upon delivery by the investor to the Registrar Agent of the relevant confirmation letter of the nominee, the Registrar Agent shall enter the corresponding transfer and investors' name into the register of the Investors and notify the nominee accordingly.

However, the aforesaid provisions are not applicable for Investors who have acquired Shares in countries where the use of the services of a nominee (or other Intermediary) is necessary or compulsory for legal, regulatory or compelling practical reasons.

In relation to any subscription, an Intermediary authorised to act as nominee is deemed to represent to the Directors that:

a) The investor is not a US Person;
b) It will notify the Board of Directors and the Registrar Agent immediately if it learns that an investor has become a US Person;
c) In the event that it has discretionary authority with respect to Shares which become beneficially owned by a US Person, the Intermediary will cause such Shares to be redeemed and;
d) It will not knowingly transfer or deliver any Shares or any part thereof or interest therein to a US Person nor will any Shares be transferred to the United States.

The Board of Directors may, at any time, require Intermediaries who act as nominees to make additional representations to comply with any changes in applicable laws and regulations.

All Intermediaries shall offer to each investor a copy of the Key Investor Information for the relevant Class of Shares (or any similar supplement, addendum or information note as may be required under applicable local law) as required by applicable laws prior to the subscription by the investor in any Sub-Fund.

The list of Nominees and Intermediaries is available at the registered office of the Fund.

### 2. Anti-Money Laundering and Fight Against Terrorist Financing

Pursuant to the applicable Luxembourg laws and to the circulars of the Luxembourg supervisory authority, obligations have been outlined to prevent the use of undertakings for collective investment such as the Fund for money laundering and terrorist financing purposes. Within this context a procedure for the identification of investors has been imposed on the Registrar Agent: the application form of an investor must be accompanied, in the case of individuals, by, inter alia, a copy of the passport or identification card and/or in the case of legal entities, a copy of the statutes and an extract from the commercial register (any such copy must be certified to be a true copy by one of the following authorities: embassy, consulate, notary, local police). Such identification procedure may be waived in the following circumstances:

**-IN THE CASE OF SUBSCRIPTIONS THROUGH A PROFESSIONAL OF THE FINANCIAL SECTOR RESIDENT IN A COUNTRY WHICH IMPOSES AN IDENTIFICATION OBLIGATION EQUIVALENT TO THAT REQUIRED UNDER LUXEMBOURG LAW FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING;**

**-IN THE CASE OF SUBSCRIPTION THROUGH AN INTERMEDIARY OR NOMINEE WHOSE PARENT IS SUBJECT TO AN IDENTIFICATION OBLIGATION EQUIVALENT TO THAT REQUIRED BY LUXEMBOURG LAW AND WHERE THE LAW APPLICABLE TO THE PARENT IMPOSES AN EQUIVALENT OBLIGATION ON ITS SUBSIDIARIES OR BRANCHES.**

Such information is only collected for anti-money laundering and fight against terrorist financing compliance purposes.

### 3. Subscription In Kind

The Board of Directors may, at its discretion, decide to accept assets as valid consideration for a subscription provided that these comply with the investment policy and restrictions of the relevant Sub-Fund. Shares will only be issued upon receipt of the assets being transferred as payment in kind. Such subscription in kind, if made, will be reviewed and the value of the assets so contributed verified by the auditor of the Fund. A report will be issued detailing the securities transferred, their respective market values of the day on the transfer and the number of Shares issued, and such report will be available at the registered office of the Fund. Exceptional costs resulting from a subscription in kind will be borne exclusively by the subscriber concerned.

## C. REDEMPTION OF SHARES

At the request of an Investor, the Fund shall redeem, on each Valuation Day, all or part of the Shares held by this Investor. For this purpose, Investors should send to the Registrar Agent a written request detailing the number of Shares or the monetary amount to be redeemed, the Sub-Fund(s), Class(es) of Shares for which they request the redemption, the name under which the Shares are registered and all useful information regarding the Investor to which payments should be made (and if applicable together with the Share Certificate(s)).

For share classes ATFE and ATFHE: the Board of Directors may decide to delist the Shares from the Italian Stock Exchange. In case of delisting the Board of Directors will proceed with the mandatory redemption of all the corresponding issued and outstanding Shares.

The Redemption Price (as defined hereafter) per Share is expressed in the NAV Currency for the relevant Sub-Fund, as well as in certain other currencies as may be determined from time to time by the Board of Directors.

The **“Redemption Price”** per Share is equal to the Net Asset Value per Share (as defined under Net Asset Value) of the relevant Sub-Fund expressed with four decimals and rounded up or down to the nearest unit of the NAV Currency. In the event of a redemption of Class B Shares, the Redemption Price will be equal to the Net Asset Value per Class B Share decreased by the relevant Deferred Sales Charge, if any. For the Classes denominated in JPY, the Redemption Price is expressed with no decimal. The Redemption Price per Share is calculated on the Calculation Day by the Administrative Agent for each relevant Valuation Day of the Sub-Fund.

In order to be executed on any Valuation Day, a redemption request must be received by the Registrar Agent on any Dealing Day before the relevant Sub-Fund redemption deadline (as more fully described in Appendix IV)(the “**Sub-Fund Redemption Deadline**”). The number of shares dealt in as a result of redemption is expressed with two decimal places and rounded up or down to the nearest unit.

Any applications for redemption received after the Sub-Fund Redemption Deadline on the relevant Dealing Day will be processed on the next Dealing Day on the basis of the Net Asset Value per Share determined on the following Valuation Day.

All the redemption requests are dealt at an unknown Net Asset Value (“**forward pricing**”).

Simultaneous redemption/subscription operations for an identical number of Shares by the same Investor may be executed free of charge on the basis of the Net Asset Value calculated on the Calculation Day following the receipt and the acceptance by the Fund of the relevant request.

In certain circumstances, the Board of Directors will be authorised to charge a “**dilution levy**” on the redemption of Shares, as described below in the section entitled *Dilution Levy*.

The payment of the Redemption Price will normally be made within the period disclosed in Part II of the Prospectus for a Sub-Fund (under Payment Day Subscription/Redemption) following the day on which the Redemption Price of the concerned Shares is determined. Notwithstanding the foregoing, the Fund reserves the right to make the payment of the Redemption Price up to seven days following the day on which the Redemption Price of the concerned Shares is determined (generally only applies in cases of large redemptions, excessive trading or during unusual market conditions).

The payment will be made by wire transfer, on an account indicated by the Investor.

Share redemptions will be suspended in case of a suspension of the Net Asset Value calculation. In case of a suspension, all Investors or persons requesting the subscription or the redemption of Shares will be notified of any such suspension. Any redemption request which is presented or suspended during such suspension may be revoked through written notice, provided that such request has been received by the Fund before the suspension is lifted. Failing such a revocation, the concerned Shares will be redeemed on the first Valuation Day following the end of the suspension. Notice of any such suspension of dealings shall be published if the Board of Directors decides that such publication is appropriate.

When redemption and conversion requests for Shares of a given Sub-Fund, to be executed at a given Valuation Day, exceed 10% of the NAV of a Class of Shares or of a Sub-Fund at that Valuation Day, the Fund shall reserve the right to reduce the number of redeemed Shares to 10% of the NAV of a Class of Shares or of a Sub-Fund at that Valuation Day, being understood that this reduction will apply to all the Investors having requested the redemption of Shares of this Sub-Fund at that Valuation Day in proportion to the number of Shares or to the monetary amount for which they have requested the redemption. Subject to this 10% limit, any postponed redemption and conversion requests will be satisfied, by priority to the redemption and conversion requests received subsequently, on the next Valuation Day (or on the next Valuation Day until the complete settlement of the original redemption and conversion requests) at the Net Asset Value calculated as of such subsequent Valuation Day. The concerned Investors will be informed individually.
When, for any reason, the Net Assets of a Sub-Fund or Class of Shares are less than USD twenty million (20,000,000) or its equivalent in the relevant NAV Currency, the Directors may decide to proceed with the mandatory redemption of all the Shares issued and outstanding for the concerned Sub-Fund or Class of Shares. Such redemption will be done at the Net Asset Value calculated on the Valuation Day immediately following this decision.

## D. CONVERSION OF SHARES

Except in the event of a suspension of the Net Asset Value calculation of one or several Sub-Funds, the Investors are entitled to request an amendment to the rights attached to all or part of their Shares, through the conversion into Shares of another Sub-Fund or Class of Shares, provided that the Shares of such Sub-Fund or Class of Shares have already been issued. The conversion request must be addressed in writing to the Fund. In order to be executed on any Valuation Day, a conversion request must be received by the Registrar Agent on any Dealing Day before the relevant Sub-Fund conversion deadline (as more fully described in Appendix IV)(the "**Sub-Fund Conversion Deadline**"). Any applications for conversion received after the Sub-Fund Conversion Deadline on the relevant Dealing Day will be processed on the next Dealing Day on the basis of the NAV per Share determined on the following Valuation Day.

All the conversions requests are dealt at an unknown NAV (“**forward pricing**”).
The number of shares dealt in as a result of conversion is expressed with two decimal places and rounded up or down to the nearest unit.
The conversion may be made subject to a Conversion Fee. For more information, please refer to Appendix I entitled *Classes of Shares*.

In certain circumstances, the Board of Directors will be authorised to charge a “dilution levy” on the conversion of Shares, as described below in the section entitled *Dilution Levy*.

The rate at which all or part of the Shares in an original Sub-Fund are converted into Shares in a new Sub-Fund or a new Class of Shares is determined in accordance with the following formula:

$$\frac{A = (B \times C \times D)}{E}$$

where:

A is the number of Shares to be allocated in the new Sub-Fund / Class;
B is the number of Shares of the original Sub-Fund / Class to be converted;
C is the Net Asset Value per Share of the original Sub-Fund / Class on the relevant Valuation Day;
D is the actual rate of exchange on the day concerned in respect of the NAV of the original Sub-Fund / Class and the NAV Currency of the new Sub-Fund / Class;
E is the Net Asset Value per Share of the new Sub-Fund / Class on the relevant Valuation Day.

Following such conversion of Shares, the Administrative Agent will inform the shareholder of the number of Shares of the new Sub-Fund / Class obtained by conversion and the price thereof.

The following table summarises the conversions allowed between different Classes of Shares, provided that the conditions mentioned in the chapter 7. A of the present Prospectus are fulfilled (investors’ status, fee structure, minimum subscription amount, approval of the Board of Directors, right to dividend payments or no right to distributions, etc.).

| To<br>From | Classes A | Classes ATF | Class B | Classes F | Classes I | Class O | Class R | Classes X |
|---|---|---|---|---|---|---|---|---|
| **Classes A** | Yes | No | No | No | No | No | No | Yes if subscription condition fulfilled |
| **Classes ATF** | No | No | No | No | No | No | No | No |
| **Class B** | No | No | Yes | No | No | No | No | No |
| **Classes F** | No | No | No | Yes | No | No | No | No |
| **Classes I** | Yes | No | No | No | Yes | No | Yes | Yes if subscription condition fulfilled |
| **Class O** | Yes | No | No | No | Yes if subscription condition fulfilled | Yes | No | Yes if subscription condition fulfilled |
| **Class R** | No | No | No | No | Yes | No | Yes | No |
| **Class X** | Yes | No | No | No | Yes if subscription condition fulfilled | Yes if subscripti on condition fulfilled | Yes | Yes |

### E. DILUTION LEVY

Under certain circumstances large net subscriptions or net redemptions in a Sub-Fund may trigger investment and/or disinvestment costs (due to among other things the resulting trading volume and the estimated bid/offer spread of the assets in which the Sub-Fund invests) and may have an adverse effect on the Investors' interests in a Sub-Fund. In order to prevent this effect called "dilution," the Board of Directors, having due regard to the interests of the Investors, may, at its sole discretion, decide to charge a dilution levy for a maximum of 2% of the Net Asset Value on the Issue Price and Redemption Price. For the purposes of the dilution levy, a conversion of Shares from one Sub-Fund to another is considered as a redemption followed by a subscription

The dilution levy in favour of the relevant Sub-Fund may be charged if the Board of Directors, in its opinion, considers that the existing Investors (in case of subscriptions) or remaining Investors (in case of redemptions) might otherwise be adversely affected. In order to ensure equal treatment between Investors, the same rate of the dilution levy (if any) will be applied to all the investors subscribing for or redeeming (as appropriate) Shares in the relevant Sub-Fund on the same Dealing Day. The Dilution Levy may be cumulative with the subscription, redemption and conversion fees as well as with the corrections described in the "*Valuation*" section below.

The dilution levy will be credited to the Sub-Fund for the benefit of its existing or remaining Investors.

# 8. Valuation

### A. GENERAL

The Net Assets of a Sub-Fund equal the market value of the (i) assets of the relevant Sub-Fund, including accrued income, less (ii) liabilities and provision for accrued expenses attributable to each Class of Shares within the Sub-Fund. The Net Assets of the Fund are expressed in USD and the Net Asset Value per Share is expressed in the NAV Currency defined under Part II "*Sub-Fund Particulars*".

The Net Asset Value per Share is determined and calculated in Luxembourg by the Administrative Agent, under the responsibility of the Management Company and the Board of Directors of the Company, on each Calculation Day, on the basis of the last available closing prices on the markets where the securities held by concerned Sub-Fund are negotiated on the Valuation Day.

For each Sub-Fund, the Net Asset Value per Share of any Class of Shares is calculated by dividing (i) the Net Assets of the relevant Sub-Fund attributable to the Class of Shares by (ii) the total number of outstanding Shares and fractions of Shares of such Class at the relevant Valuation Day (the Net Asset Value per Share is expressed in the relevant NAV Currency or any other currency as may be determined from time to time by the Board of Directors, with four decimals, regardless of the base currency of the relevant Sub-Fund). For the Classes denominated in JPY, the Net Asset Value is expressed with no decimal.

**The assets of the Fund shall be deemed to include:**

1. all cash on hand or on deposit, including any interest accrued thereon;
2. all bills and demand notes payable and accounts receivable (including proceeds of securities sold but not delivered);
3. all bonds, time notes, certificates of deposit, shares, stocks, units or shares of undertakings for collective investments, debentures, debenture stocks, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Fund;
4. all stock dividends, cash dividends and cash distributions receivable by the Fund to the extent information thereon is reasonably available to the Fund;
5. all interest accrued on any interest-bearing assets owned by the Fund except to the extent that the same is included or reflected in the principal amount of such assets;
6. the preliminary expenses of the Fund insofar as the same have not been written off;
7. all other assets of any kind and nature including expenses paid in advance;

The value of such assets shall be determined as follows:

1. Investments for which market quotations are readily available are valued based on market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.
2. Domestic and foreign fixed income securities and non-exchange traded derivatives are normally valued on the basis of quotes obtained from brokers and dealers or pricing services using data reflecting the earlier closing of the principal markets for those securities. Prices obtained from independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date.
3. Exchange traded options, futures and options on futures are valued at the settlement price determined by the relevant exchange.
4. Short-term investments having a maturity of 60 days or less are generally valued at amortised cost whereby the securities or assets are valued at their cost of acquisition adjusted for amortisation or premium or accretion of discount on those securities rather than at the current market value of those securities or assets.
5. Where possible, swaps are marked to market based upon daily prices obtained from third party pricing agents and verified against the quotations of the actual market maker. Where third party prices are not available, swap prices are based upon daily quotations available from the market maker.
6. The Fund may use the fair value of a security as determined with prudence and in good faith in accordance with procedures adopted by the Board of Directors if market quotations are unavailable or deemed unreliable or if events occurring after the close of a securities market and before the Fund values its assets would materially affect net asset value. Fair value determinations employ elements

of judgment and a fair value price is an estimated price on the basis of expected disposal or acquisition price. The fair value assigned to a security may not represent the value that the Sub-Fund could obtain if it were to sell the security.

Any assets held in a particular Sub-Fund not expressed in the base currency of the Sub-Fund will be converted into such base currency at the rate of exchange prevailing in a recognised market on the day when the last available closing prices are taken.

The Board of Directors, in its discretion, may permit some other methods of valuation, based on the probable sales price as determined with prudence and in good faith by the Directors, to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

In the event that the quotations of certain assets held by a Sub-Fund are not available for calculation of the Net Asset Value, each of such quotations may be replaced by its last known quotation (provided this last known quotation is also representative) preceding the last quotation or by the last appraisal of the last quotation on the relevant Valuation Day, as determined by the Board of Directors or by such other valuation determined in accordance with the procedures established by the Board of Directors.

In the interests of investors and to the extent deemed appropriate by the Board of Directors, taking into account market conditions and/or the net level of subscriptions and redemptions in a given Sub-Fund in relation to the size of that Sub-Fund, the net asset value of the Sub-Fund may be (i) adjusted for bid-offer spread, sales commissions, and dealing costs incurred or (ii) adjusted to take account of the impact resulting from the difference between the dealing price and the valuation of the investments or disinvestments, and/or sales commissions and/or dealing fees incurred.

Moreover, the effect of any such correction in relation to the net asset value that would have been obtained without it may not be greater than 2% unless otherwise specified in the Annexes.

**The liabilities of the Fund shall be deemed to include:**

1. all loans, bills and accounts payable;

2. all accrued or payable administrative fees, costs and expenses (including management fees, distribution fees, custodian fees, administrative agent fees, registrar agent fees, nominee fees and all other third party fees);

3. all known liabilities, present and future, including all matured contractual obligations for payment of money or property;

4. an appropriate provision for future taxes based on capital and income on the Valuation Day, as determined from time to time by the Fund, and other reserves, if any, authorised and approved by the Directors, in particular those that have been set aside for a possible depreciation of the investments of the Fund; and

5. all other liabilities of the Fund of whatsoever kind and nature except liabilities represented by Shares. In determining the amount of such liabilities, the Fund shall take into account all expenses payable by the Fund which shall comprise, but shall not be limited to, formation expenses, fees payable to its directors (including their insurance coverage and all reasonable out of pocket expenses), management company, investment advisors or investment managers, accountants, custodian bank and paying agents, administrative agent, registrar agent and permanent representatives in places of registration, intermediaries and any other agents employed by the Fund, fees for legal and auditing services, cost of any proposed listings, maintaining such listings, printing, reporting and publishing expenses (including costs of preparing, translating and printing in different languages) of the Prospectus, Key Investor Information, explanatory memoranda or registration statements, annual reports and semi-annual reports, long form reports, taxes or governmental and supervisory authority charges, insurance costs and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Fund may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

All Shares in the process of being redeemed by the Fund shall be deemed to be issued until the close of business on the Valuation Day applicable to the redemption. The redemption price is a liability of the Fund from the close of business on this date until paid.

All Shares issued by the Fund in accordance with subscription applications received shall be deemed issued from the close of business on the Valuation Day applicable to the subscription. The subscription price is an amount owed to the Fund from the close of business on such day until paid.

The Net Assets of the Fund are equal to the total of the Net Assets of each Sub-Fund.

## B. TEMPORARY SUSPENSION OF THE NET ASSET VALUE CALCULATION

In accordance with Article 14 of the Articles of Incorporation, the Fund may at any time suspend temporarily the calculation of the Net Asset Value of one or more Sub-Funds and the issue and/or redemption and/or conversion of Shares, in particular, in the following circumstances:

1. during any period when any of the principal stock exchanges or other recognised markets on which a substantial portion of the investments of the Fund attributable to such Sub-Fund from time to time are quoted or dealt in is closed, other than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of the Fund attributable to such Sub-Fund quoted thereon;
2. during the existence of any state of affairs which constitutes an emergency (such as political, military, economic or monetary events) in the opinion of the Directors as a result of which disposal or valuation of assets owned by the Fund attributable to such Sub-Fund would be impracticable;
3. during any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or value on any stock exchange or other market in respect of the assets attributable to such Sub-Fund;
4. during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange;
5. when for any other reason beyond the control of the Directors the prices of any investments owned by the Fund attributable to such Sub-Fund cannot promptly or accurately be ascertained;
6. if the Fund is being or may be wound up or merged, from the date on which notice is given of a general meeting of Investors at which a resolution to wind up or merge the Fund is to be proposed or if such Sub-Fund is being liquidated or merged, from the date on which the relevant notice is given; or
7. any period when the Net Asset Value of one or more UCIs in which any Sub-Fund has invested and when the assets of the UCI(s) represent a significant part of the proportion of assets of any Sub-Fund cannot be calculated with accuracy and cannot reflect the true market value of the Net Asset Value of the UCI(s) during a Valuation Day.

The Board of Directors may, in any of the cases listed above, suspend the issue and/or redemption and/or conversion of shares without suspending the calculation of the Net Asset Value.

The suspension of the Net Asset Value calculation of a Sub-Fund shall have no effect on the calculation of the Net Asset Value, the issue, sale, redemption and conversion of Shares of any other Sub-Fund for which the Net Asset Value calculation is not suspended.

Any request for subscription, conversion or redemption shall be irrevocable except in the event of a suspension of the calculation of the Net Asset Value.

If required by Luxembourg law, notice of the beginning and of the end of any period of suspension will be published in a Luxembourg daily newspaper and in any other newspapers selected by the Board of Directors if the duration of the suspension is to exceed three (3) Fund Business Days. Notice will likewise be given to any investor or Investor as the case may be applying for purchase, conversion or redemption of Shares in the relevant Sub-Funds.

## C. PUBLICATION OF THE NET ASSET VALUE PER SHARE

The Net Asset Value per Share of each Class of Shares is made public at the registered office of the Fund and is available daily at the office of the Depositary and online at the following web site: www.fundsquare.net

The Fund may arrange for the publication of this information in leading financial newspapers. The Fund cannot accept any responsibility for any error or delay in publication or for non-publication of a Net Asset Value.

# 9. Distribution Policy

In principle, capital gains and other income of the Fund will be capitalised and no dividends will generally be payable to Investors. The distribution policy of each Class of Shares is set out in Appendix I.

Notwithstanding, the Board of Directors may propose to the annual general meeting of Investors the payment of a dividend if it considers it is in the interest of the Investors; in this case, subject to approval of the Investors, a cash dividend may be distributed out of the available net investment income and the net capital gains of the Fund.

Upon proposal of the Board of Directors, the annual general meeting of Investors may also decide to distribute to the Investors a dividend in the form of Shares of one or more Sub-Funds, in proportion to the existing Shares of the same Sub-Fund, if any, already held by each Investor.

In relation to the Distribution Shares existing in certain Sub-Funds (please refer to *the Summary Tables of Shares and to each Sub-Fund Appendix*), it is intended that the Fund will distribute dividends in the form of cash in the relevant Sub-Fund's NAV Currency. Annual dividends are declared separately in respect of such Distribution Shares at the annual general meeting of Investors. In addition, the Directors may declare interim dividends.

The Board of Directors may decide also that dividends be automatically reinvested by the purchase of further Shares. In such case, the dividends will be paid to the Registrar Agent who will reinvest the money on behalf of the Investors in additional Shares of the same Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Class in non-certificated form. Fractional entitlements to registered Shares will be recognised to two decimal places or such other number of decimal places as may be determined by the Board of Directors.

Dividends remaining unclaimed five years after the dividend record date will be forfeited and will accrue for the benefit of the relevant Class of Shares.

# 10. Fees, Expenses and Taxation

## A. DEALING CHARGES

Subscription and conversion fees per Sub-Fund are set forth in Appendix I. At the present time no charges are levied on the redemption of Shares except on the XJ Share Class, XJC Share Class, XJHJ Share Class, XJHJA Share Class, XJHJB Share Class. Class B Shares are subject to a Deferred Sales Charge. Any arrangement agreed upon between the Investor and his financial adviser is not reflected in Appendix I of this Prospectus.

## B. ANNUAL CHARGES

### 1. Management Fees

The Management Company, the Investment Manager and Sub-Managers (as the case may be) are entitled to receive from the Fund their respective portions of the management fees set forth in Appendix I calculated for each Class of Shares on the average of the Net Asset Value of each Sub-Fund over the period as described in the Investment Management Agreement and the Management Agreement.

The fees are calculated and accrued on each Valuation Day and are payable monthly in arrears.
The Investment Manager will be responsible to pay the fees (and the expenses as per the Management Agreement) to the Management Company and the Sub-Managers (as the case may be).

## 2. Distribution Fees

The Principal Distributor is entitled to receive from the Fund the distribution fees as described in Appendix I. Such fees are intended to compensate sub-distributors, intermediaries, dealers and/or professional investors for providing distribution or other services to Investors, including, but not limited to the enhancement of the communication of ongoing information to Investors, the transaction processing or other shareholder and/or administrative services. These fees are calculated and accrued on each Valuation Day and are paid monthly in arrears. The Principal Distributor is responsible for payment of fees to sub-distributors, intermediaries, dealers and/or professional investors. Any request for additional information regarding any such payments should be addressed by the Investors to their relevant intermediaries.

The Investment Manager can decide to pay remuneration to distributors, sub-distributors, intermediaries, dealers and/or professional investors out of its own fees.

## 3. Service Fees

Each Class of Shares is subject to a Service Fee at a rate of the Net Asset Value attributable to the relevant Class as disclosed in Appendix I. The Service Fee is calculated and accrued on each Valuation Day and payable monthly in arrears to the Investment Manager. This Service Fee may be used by the Investment Manager to pay fees of other service providers as set out below.

Notwithstanding the general provisions of this section and elsewhere in this Prospectus, the Investment Manager, during the term of the Investment Management Agreement, will be responsible for the compensation of certain service providers to, and the payment of certain expenses of, the Fund, as follows:

a. the remuneration of the Administrative Agent, Domiciliary Agent and Registrar Agent;
b. the remuneration of the Depositary;
c. the fees of auditors and legal advisers of the Fund (including costs associated with compliance with legal and regulatory requirements);
d. the cost of translation, printing and distribution to Investors of the annual and semi-annual reports, the Prospectus and the Key Investor Information and any supplement thereto as well as any notice to the Investors' attention;
e. any costs related to providing information to the Investors including costs related to the publication of prices of Shares in the financial press, the production of informational material for the Investors and Distributors;
f. any fees and expenses involved in registering and maintaining the registration of the Fund with any governmental agency or stock exchange and complying with any regulatory requirements and the reimbursement of such fees and expenses incurred by any local representative;
g. the fees of any local representative/ correspondent, of which the services are required pursuant to the applicable law.

For the avoidance of doubt, the Fund will not pay any fees directly to the custodian, administrator and registrar. Such fees will be borne by the Investment Manager. The Investment Manager implemented the fixed percentage fee structure in an effort to provide prospective investors with an immediate understanding of the servicing cost charged to the Fund.

## 4. Other Expenses

The Fund or the relevant Sub-Fund, as appropriate, shall bear all other of its fees and expenses not specifically set forth above or provided for in the Articles of Incorporation or in this Prospectus. These include the fees and expenses in connection with the incorporation of the Fund which will be amortised over a maximum period of five years. In the case of liquidation of a Sub-Fund, the liquidation fees will be borne by the relevant Sub-Fund in their entirety.

Other expenses, if not amortised, are first deducted from investment income and secondly, as necessary, from capital gains.

### 5. Brokerage and Transaction Costs

The Fund or each Sub-Fund, as applicable, shall pay out of its assets all brokerage commissions and transaction charges and costs incurred in connection with its operations.

None of the Investment Manager or its connected persons (the "**Connected Persons**") may retain cash or other rebates from a broker or dealer in consideration of directing transactions to them.

Consistent with best execution, brokerage commissions on portfolio transactions for the Fund may be directed by the Investment Manager or its Connected Persons to broker-dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such broker-dealers. The receipt of bundled investment research and information and related services permits the Investment Manager and its Connected Persons to receive information and analysis from independent research groups to supplement their own research and analysis. Soft commission arrangements may also give the Investment Manager or their Connected Persons access to risk management software. Such services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, employee salaries or direct money payment, which are paid by the Investment Manager or its Connected Persons.

Fixed income securities are generally purchased from the issuer or a primary market maker acting as principal on a net basis without a stated commission but at prices generally reflecting a dealer spread. Fixed income securities may also be purchased from underwriters at prices that include underwriting fees. Because of this pricing structure, research, and other products and services are not paid for from trades in fixed income securities.

The Investment Manager or its Connected Persons will exclusively work with brokers that are set up in the form of a company, and not independent individual brokers. Further, the goods and services supplied under soft commission arrangements must have a demonstrable benefit to clients of the Investment Manager or its Connected Persons, including the Fund, and where the Investment Manager or its Connected Persons are satisfied that the transactions generating the soft commissions are made in good faith and in compliance with applicable regulatory requirements. Any such arrangement must be made by the Investment Manager or its Connected Persons on terms commensurate with best market practice. The use of soft commissions shall be disclosed in the audited annual report.

### 6. Total Expense Ratio

The total expense ratio is the ratio of the gross amount of the expenses of the Sub-Fund to its average net assets. The total expense ratio excludes dilution levies, transaction costs and costs related to extraordinary measures, including, in particular, any expertise or trial aiming at the protection of the Investors' interests.

The total expense ratio includes all the expenses levied on the assets of a Sub-Fund which include, but are not limited to, investment management fees, advisory fees, management company fees, administrative fees, custodian fees, Directors' fees, registration costs, regulatory fees, audit fees, legal fees, registration fees, formation costs, translation costs, printing costs, publication costs and duties.

Through December 31, 2021, the Investment Manager has capped the total expense ratio for each Sub-Fund as set forth on Appendix I and any costs and expenses in excess shall be borne by the Investment Manager (excluding costs associated with increases in taxation). At the conclusion of this period, the Investment Manager, in its absolute discretion, may extend, terminate or otherwise modify the total expense ratio cap for a Sub-Fund.

## C. TAXATION

### 1. LUXEMBOURG

#### Taxation of the Fund

The Fund's assets are subject to tax ("***Taxe d'abonnement***") in the Grand Duchy of Luxembourg of 0.05% of the net assets p.a. calculated and accrued on each Valuation Day and payable quarterly.

However, the rate of the subscription tax is 0.01% per annum of the Net Asset Value for:

a. Sub-Funds whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions,
b. Sub-Funds whose sole object is the collective investment in deposits with credit institutions and
c. Sub-Funds or Classes which are reserved to one or more Institutional Investors.

A Sub-Fund that satisfies the following conditions is exempt from the annual subscription tax:

a. the securities issued by the Sub-Fund are reserved to Institutional Investors, and
b. the sole object of the Sub-Fund is the collective investment in Money Market Instruments and the placing of deposits with credit institutions, and
c. the weighted residual portfolio maturity of the Sub-Fund does not exceed 90 days, and
d. the Sub-Fund has obtained the highest possible rating from a recognised rating agency.

The Fund's income is not taxable in Luxembourg. No tax will be deducted at source from any dividends paid by the Fund. Income received from the Fund may be subject to withholding taxes in the country of origin of the issuer of the security, in respect of which such income is paid. No duty or tax is payable in Luxembourg in connection with the issue of Shares.

#### Taxation of the Investors

Under current legislation and subject to the EUSD (as defined below), Investors are not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg, except for those Investors domiciled, resident or having a permanent establishment in Luxembourg.

#### EU Savings Directive

In accordance with the provisions of the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**EUSD**") which entered into force on 1st July 2005, withholding tax could apply on interest income when a Luxembourg paying agent makes distributions from and redemptions of shares/units in certain funds and where the beneficiary of these proceeds is an individual residing in another Member State. Unless this individual specifically requests to be brought within the EUSD exchange of information regime such distributions and redemptions should be subject to withholding at the rate of 35% on interest income. In application of agreements concluded by Luxembourg and some dependant territories of the European Union, the same treatment would apply to payments made by a Luxembourg paying agent to an individual residing in any of the following territories: Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands.

The EUSD has been implemented in Luxembourg by a law dated June 21, 2005 (the "**Luxembourg Savings Law**").

Certain Luxembourg undertakings for collective investment fall within the scope of the Luxembourg Savings Law (the "**Qualifying Funds**").

The Fund being structured as an umbrella fund, each Sub-Fund should be treated as a separate Qualifying Fund for the purposes of the Luxembourg Savings Law.

Under the EUSD the following are considered interest payments (i) interest related to debt claims of every kind, (ii) capitalised or accrued interest, (iii) income deriving from interest payments distributed by a Qualifying Fund, and (iv) income realised upon the sale, refund, or redemption of shares or units in such Qualifying Fund provided that such Qualifying Fund invests directly or indirectly at least 40% of its assets in debt claims.

According to the Luxembourg Savings Law, income referred to in (iii) and (iv) above will be considered as interest payments only to the extent they directly or indirectly arise from interest payments as defined under (i) and (ii) (under the condition that an appropriate tracking of the payments could be performed).

Furthermore, Luxembourg opted to exclude from the scope of the EUSD any fund investing less than 15% of its assets in debt-claims. Thus, income distributed by such funds or realised upon the sale, refund or redemption of the shares or units of such funds will not be considered as interest payments.

In order to determine whether the 15% and/or 40% thresholds could be met, the investment policy of each Sub-Fund must be examined. In case of a lack of precision of such investment policy description, the actual composition of the assets of each Sub-Fund should then be analysed.

## 2. OTHER JURISDICTIONS

Interest, dividends and other income realised by the Fund on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax the Fund will pay since the amount of the assets to be invested in various countries and the ability of the Fund to reduce such taxes is not known.

The information set out above is a summary of those tax issues which could arise in the Grand Duchy of Luxembourg and does not purport to be a comprehensive analysis of the tax issues which could affect a prospective subscriber. It is expected that Investors may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the tax consequences for each prospective investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares in the Fund. These consequences will vary in accordance with the law and practice currently in force in an Investor's country of citizenship, residence, domicile or incorporation and with his or her personal circumstances.

## 3. FUTURE CHANGES IN APPLICATION OF LAW

The foregoing description of Luxembourg tax consequences of an investment in, and the operations of, the Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Fund to income taxes or subject shareholders to increased income taxes.

## 4. FATCA REQUIREMENTS

FATCA addresses perceived abuses by U.S. taxpayers with respect to assets held offshore and requires all financial institutions to participate and be compliant. Enacted in 2010, FATCA compels Foreign Financial Institutions (“FFI”) to report to the Internal Revenue Service (“IRS”) information regarding “specified US Persons” of financial accounts and, in some cases U.S. controlling persons of entities falling under the definition of passive Non-Financial Foreign Entities (“passive NFFE”).

Through FATCA, the U.S. imposes a punitive withholding tax of 30% on withholdable payments made to FFIs, including certain investment vehicles and UCITS funds, which do not comply with the FATCA obligations. This tax applies not only to U.S. source income but also to proceeds from the sale of assets that generate U.S. source income (as from 2017).

In short, FATCA requires FFIs to comply with new documentation standards, the objective being the identification of specified US Persons and the reporting to the IRS, as from the year 2015, of information related to investments made with the FFIs.

The U.S. Treasury released Final Regulations on 17 January 2013 and the IRS provided detailed requirements with which FFI, U.S. Withholding Agents, and other non-U.S. entities must comply in order to avoid withholding or penalties. The document also details exceptions, exclusions, reporting and withholding requirements. On

20 February 2014, the IRS also released amendments to the Final Regulations (temporary and coordination regulations).

Many jurisdictions have signed an IGA that would transpose most of the obligations resulting from FATCA Regulations into local law and at the same time would create specific exemptions or reduced compliance requirements for FFIs located in IGA countries compared to FFIs located in other jurisdictions. Luxembourg signed a Model 1 IGA on 28 March 2014.

The Fund has opted for the reporting IGA FFI status.

## 5. COMMON REPORTING STANDARD

The Fund may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "**Standard**") and its Common Reporting Standard (the "**CRS**") as set out in Luxembourg law on the Common Reporting Standard (loi relative à la Norme commune de déclaration, "**CRS Law**").

Under the terms of the CRS Law, "**Controlling Persons**" mean the natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

Under the terms of the CRS Law, the Fund may be treated as a Luxembourg Reporting Financial Institution (*Institution financière déclarante*). As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Fund's documentation, the Fund will be required to annually report to the Luxembourg Tax Authority (the "**LTA**") personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) shareholders that are reportable persons (*Personnes devant faire l'objet d'une déclaration*), and (ii) Controlling Persons of certain non-financial entities which are themselves reportable persons (*Personnes détenant le contrôle*). This information, as exhaustively set out in Annex I of the CRS Law (the "**Information**"), will include personal data related to the reportable persons.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each shareholder providing the Fund with the Information, along with the required supporting documentary evidence. In this context, the shareholders are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law. The shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

The shareholders are further informed that the Information related to reportable persons within the meaning of the CRS Law will be disclosed to the LTA annually for the purposes set out in the CRS Law. In particular, reportable persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the LTA.

Similarly, the shareholders undertake to inform the Fund within thirty (30) days of receipt of these statements should any included personal data be not accurate. The shareholders further undertake to immediately inform the Fund of and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such shareholder's failure to provide the Information or subject to disclosure of the Information by the Fund to the LTA.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SUBSCRIBERS. PROSPECTIVE SUBSCRIBERS SHOULD CONSULT THEIR OWN COUNSEL REGARDING TAX LAWS AND REGULATIONS OF ANY OTHER JURISDICTION WHICH MAY BE APPLICABLE TO THEM.

# 11. Conflicts of Interest

No contract or other transaction which the Fund and any other corporation or firm might enter into shall be affected or invalidated by the fact that any one or more of the Directors of the Fund are interested in, or is a Director, associate or employee of such other corporation or firm.

Any Director who serves as a Director or employee of any corporation or firm with which the Fund shall contract or otherwise engage in business shall not, by reason of such affiliation with such other corporation or firm be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

In the event that any Director of the Fund may have any personal interest opposite to the Fund in any transaction of the Fund, such Director shall make known to the Board of Directors such personal interest and shall not consider or vote on any such transaction, and such transaction, and such Director's interest therein, shall be reported to the next succeeding meeting of shareholders.

The term "interest opposite to the Fund", as used in the preceding sentence, shall not include any relationship with or interest in any matter, position or transaction involving TCW Investment Management Company LLC, such company or entity as may from time to time be determined by the Board of Directors in its discretion.

The Fund establishes implements and maintains an effective conflicts of interest policy. The Fund keeps at its office and regularly updates a record of the types of the circumstances, if any, which may give rise to a conflict of interest. The Fund will disclose situations where the organisational or administrative arrangements made by the Fund to manage conflicts of interest were not reasonably sufficient.

# 12. Complaints Handling

In accordance with the regulation applicable in Luxembourg, the Fund has implemented and maintains effective and transparent procedures for the reasonable and prompt handling of complaints received from Investors. The information regarding those procedures shall be made available to Investors free of charge.

# 13. Strategies for the Exercise of Voting Rights

In accordance with the regulations applicable in Luxembourg, the Fund has developed an adequate and effective strategy for determining when and how voting rights attached to instruments held in the managed portfolios are to be exercised, to the exclusive benefit of the Fund.

# 14. Financial Year

The financial year of the Fund (a “**Financial Year**”) begins on 1st October of each calendar year and terminates on 30th September of the following calendar year.

# 15. General Meetings of Shareholders

The annual general meeting of shareholders shall be held, in accordance with Luxembourg law, in Luxembourg at the registered office of the Fund or such other place in the municipality of the registered office as may be specified in the notice of the meeting on the last Tuesday of January at 2 p.m. CET. If such day is not a bank business day in Luxembourg, then the annual general meeting shall be held on the first succeeding bank business day in Luxembourg. The annual general meeting may be held abroad if, in the absolute and final judgment of the Board of Directors, exceptional circumstances so require.

Other meetings of shareholders may be held at such place and time as may be specified in the respective notices of meeting.

The shareholders of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Sub-Fund. In addition, the shareholders of any class of shares may hold, at any time, general meetings to decide on any matters which relate exclusively to such class of shares. The general provisions set out in these Articles of Incorporation, as well as in the 1915 Law, shall apply to such meetings.

All the Investors shall be convened to the meeting via a notice, recorded in the register of the Investors and sent to their addresses in accordance with Luxembourg law. This notice shall indicate the time and place of the annual general meeting of shareholders, the admission conditions, the agenda and the quorum and majority requirements.

The Board of Directors is not required to send the annual accounts, as well as the report of the auditors of the Fund and the management report at the same time as the convening notice to the annual general meeting of shareholders. Unless otherwise provided for in the convening notice to the annual general meeting of shareholders, the annual accounts, as well as the report of the auditors of the Fund and the management report, will be available at the registered office of the Fund. The convening notice to general meetings of Investors may provide that the quorum and the majority at the general meeting is determined according to the shares issued and outstanding at midnight (Luxembourg time) on the fifth day prior to the general meeting (referred to as "**record date**"). The right of an Investor to attend a general meeting and to exercise a voting right attaching to his shares is determined in accordance with the shares held by the Investor at the record date.

Each Share grants the right to one vote. The vote on a possible payment of a dividend in a Sub-Fund requires the majority of the votes of the Investors of the concerned Sub-Fund and any amendment to the Articles of Incorporation leading to a change in the Investor rights of a Sub-Fund must be approved by a decision of the General Meeting of Investors and by the Meeting of the concerned Sub-Fund's Investors.

# 16. Termination of the Fund

## A. DURATION OF THE FUND

The Fund is established for an unlimited period of time. The Fund (and all the Sub-Funds and Classes) may, however, be dissolved, liquidated and any of its Sub-Funds or Classes closed or merged in the circumstances described under the following paragraphs.

## B. DISSOLUTION AND LIQUIDATION OF THE FUND

The Fund may at any time be dissolved by a resolution taken by the general meeting of shareholders subject to the quorum and majority requirements as defined in the Articles of Incorporation.

Whenever the capital falls below two thirds of the minimum capital as provided by the 2010 Law, as may be amended from time to time, the Board of Directors must submit the question of the dissolution of the Fund to the general meeting of shareholders. The general meeting for which no quorum shall be required, shall decide by simple majority of the votes of the shares represented at the meeting.

The question of the dissolution and of the liquidation of the Fund shall also be referred to the general meeting of shareholders whenever the capital falls below one quarter of the minimum capital as provided by the 2010 Law, as may be amended from time to time. In such event the general meeting shall be held without quorum requirements and the dissolution or the liquidation may be decided by the shareholders holding one quarter of the votes present or represented at that meeting.

The meeting must be convened so that it is held within a period of forty days from ascertainment that the net assets of the Fund have fallen below two thirds or one quarter of the legal minimum as the case may be.

The issue of new shares by the Fund shall cease on the date of publication of the notice of the general shareholders' meeting, to which the dissolution and liquidation of the Fund shall be proposed.

The liquidation shall be carried out by one or several liquidators (who may be natural persons or legal entities) named by the meeting of shareholders effecting such dissolution and which shall determine their powers and their compensation. The appointed liquidator(s) shall realise the assets of the Fund, subject to the supervision of the relevant supervisory authority in the best interest of the shareholders.

The proceeds of the liquidation of each Sub-Fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of shares in each class in accordance with their respective rights.

The amounts not claimed by shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the Caisse de Consignation in Luxembourg until the statutory limitation period has lapsed.

## C. TERMINATION OF SUB-FUNDS OR CLASSES OF SHARES

The Board of Directors may decide, at any moment, the termination of any Sub-Fund or Class of Shares.

In the case of termination of a Sub-Fund or Class, the Board of Directors may offer to the Investors of such Sub-Fund or Class the conversion (if not prohibited) of their Shares into Shares of another Sub-Fund or Class, under the terms fixed by the Board of Directors.

In the event that for any reason the value of the net assets in any Sub-Fund or Class of shares has decreased below the amount determined by the Board of Directors (modified from time to time), to be the minimum level for such Sub-Fund or Class of Shares necessary to operate in an economically efficient manner, or if a change in the economic or political situation would have material adverse consequences on the Fund's investments, the Board of Directors may decide for the valuation day they determined (i) to compulsorily redeem all the shares of the relevant Sub-Fund or Classes at the net asset value per share which will take into account the actual realisation prices of investments and realisation expenses or (ii) to offer to the shareholders of the relevant Sub-Fund or Class the conversion (if not prohibited) of their shares into shares of another Sub-Fund or Class.

The Fund shall serve a notice to the shareholders of the relevant Sub-Fund or Class of shares prior to the effective date of the compulsory redemption, which will indicate the reasons and the procedure for the redemption operations. Registered shareholders will be notified in writing. Unless it is otherwise decided in the interests of, or to maintain equal treatment between, the shareholders, the shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their shares free of charge, taking into account actual realisation prices of investments and realisation expenses and prior to the date effective for the compulsory redemption.

Assets which may not be distributed to their owners upon the implementation of the redemption will be deposited with the Depositary of the Fund for a period of six months thereafter; after such period, the assets will be deposited with the Caisse de Consignation on behalf of the persons entitled thereto.

All redeemed shares will be cancelled in the books of the Fund.

## D. MERGER OF THE FUND OR SUB-FUNDS

The Board of Directors may decide to proceed with a merger (within the meaning of the 2010 Law) of the Fund or of one of the Sub-Funds, either as receiving or absorbed UCITS or Sub-Fund, subject to the conditions and procedures imposed by the 2010 Law, in particular concerning the merger project and the information to be provided to the Investors, as follows:

### 1. Merger Of The Fund

The Board of Directors may decide to proceed with a merger of the Fund, either as receiving or absorbed UCITS, with:

- another Luxembourg or foreign UCITS (the "**New UCITS**"); or
- a sub-fund thereof,

and, as appropriate, to redesignate the Shares as Shares of this New UCITS, or of the relevant sub-fund thereof as applicable.

In case the Fund is the receiving UCITS (within the meaning of the 2010 Law), solely the Board of Directors will decide on the merger and effective date thereof.

In case the Fund is the absorbed UCITS (within the meaning of the 2010 Law), and hence ceases to exist, the general meeting of the Investors must decide on the effective date of the merger by a resolution adopted with no quorum requirement and at a simple majority of the votes cast at such meeting by the present or represented Investors. Such decision must be recorded by notarial deed.

### 2. Merger Of Sub-Funds

The Board of Directors may decide to proceed with a merger of any Sub-Fund, either as receiving or absorbed Sub-Fund, with:

- another existing Sub-Fund within the Fund or another sub-fund within a New UCITS (the "**New Sub-Fund**"); or
- a New UCITS,

and, as appropriate, to redesignate the Shares of the Sub-Fund concerned as Shares of the New UCITS, or of the New Sub-Fund as applicable.

### 3. Rights Of The Investors And Costs To Be Borne By Them

In all the above mentioned merger cases, the Investors will in any case be entitled to request, without any charge other than those retained by the Fund or the Sub-Fund to meet disinvestment costs, the redemption of their Shares, in accordance with the provisions of the 2010 Law. A notice will be given to the Investors concerned by the merger. The Investors not wishing to participate in the merger may request within a month from the given notice to redeem their shares. This redemption shall be carried at the relevant net asset value determined the day when the request of redemption is deemed to have been received.

### 4. Merger Of Classes Of Shares

The Board of Directors may also decide to merge two (or more) Classes of shares from the same Sub-Fund if the net asset value of a Class of Shares is below USD 10,000,000 (or currency equivalent) or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Board of Directors should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Class to operate in an economically efficient manner, and with due regard to the best interests of shareholders, that a Class should be merged. A notice will be given to the shareholders of Classes concerned by the merger. The Investors not wishing to participate in the merger may request within a month from the given notice to redeem their shares. This redemption shall be carried free of redemption charges at the relevant Net Asset Value determined the day when the request of redemption is deemed to have been received. Any applicable Deferred Sales Charge is not to be considered as a redemption charge and shall therefore be due.

### 5. Division of Sub-Funds or Classes of Shares

If the Board of Directors determines that it is in the interests of the shareholders of the relevant Sub-Fund or Class or that a change in the economic or political situation relating to the Sub-Fund or Class concerned has occurred which would justify it, the reorganisation of one Sub-Fund or Class, by means of a division into two or more Sub-Funds or Classes, may take place. This decision will be notified to shareholders as required. The notification will also contain information about the two or more new Sub-Funds or Classes. The notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable the shareholders to request the sale of their Shares, free of charge, before the operation involving division into two or more Sub-Funds or Classes becomes effective. Any applicable Deferred Sales Charges are not to be considered as redemption charges and shall therefore be due.

Any request for subscriptions shall be suspended as from the moment of the announcement of the division of the relevant Sub-Fund.

# 17. Reports and Accounts of the Fund – Information to Investors

The audited annual report of the Fund for each Financial Year will be available to Investors at the registered office of the Fund within four months of the end of the relevant Financial Year. In addition, the unaudited semi-annual report of the Fund for the period from the 1st October to 31st March of the subsequent year (a "**semi-annual period**") will be available at the registered office of the Fund within two months from the end of the relevant semi-annual period.

For the purpose of establishing the consolidated annual reports, the Net Assets of the Fund shall be expressed in USD. For the purpose of this calculation, the Net Assets of each segregated Sub-Fund shall be converted into USD. The report shall comprise specific information on each Sub-Fund as well as consolidated information on the Fund.

All other communications to Investors shall be done through a notice that will be either published in a Luxemburg newspaper and in newspapers of countries where the Fund's Shares are offered, or sent to the Investors at their address indicated in the register of the Investors or communicated via other means as deemed appropriate by the Board of Directors and if required by Luxembourg law, in the *Mémorial*.

The Fund draws the Investors' attention to the fact that any investor will only be able to fully exercise his Investor rights directly against the Fund, notably the right to participate in general shareholders' meetings, if the Investor is registered himself and in his own name in the register of the Investors. In cases where an Investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the Investor, it may not always be possible for the Investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

# 18. Documents for Inspection

The following contracts, not being contracts entered into in the ordinary course of business, have been entered or will be entered into and are or may be material:

A. Investment Management Agreement
B. Distribution Agreement
C. Registrar Agent Agreement
D. Custody and Paying Agent Agreement
E. Administrative, Corporate and Domiciliary Agent Agreement

Copies of the following documents may be inspected at the registered office of the Fund at 28-32 Place de la gare, L-1616 Luxembourg, during normal business hours on any bank business day in Luxembourg:

A. Articles of Incorporation;
B. Material contracts referred to above;
C. Last annual audited financial reports of the Fund; and
D. Latest non-audited semi-annual financial reports of the Fund, if published since the last annual financial reports.

In addition, Investors may obtain copies of the Articles of Incorporation, this Prospectus, each Key Investor Information and the latest annual or semi-annual financial reports, free of charge, at the operational center of the Administrative Agent at 28-32 Place de la gare, L-1616 Luxembourg, during normal business hours on any Fund Business Day.

Information and documents other than Key Investor Information are translated, at the choice of the Fund, into the official language, or one of the official languages, of the Fund host Member State, into a language approved by competent authorities of that Member State, or into a language customary in the sphere of international finance.

# 19. Key Investor Information

Key Investor Information is translated into the official language, or one of the official languages, of the Fund host Member State, or into a language approved by competent authorities of that Member State.

Key Investor Information constitutes pre-contractual information. It shall be fair, clear and not misleading. It shall be consistent with the relevant parts of the Prospectus.

# 20. Further Information

## A. INVESTMENT RESTRICTIONS

The Fund and the Sub-Funds are subject to all the restrictions and limits set forth in the 2010 Law, as amended and updated, in all the circulars issued by the CSSF with respect to investment restrictions applicable to UCITS, as amended and updated (the "**Relevant Circulars**"), in the Grand-Ducal Regulation of 2008 and any guidelines issued by the European Securities and Markets Authority (formerly the Committee of European Securities Regulators). The summary below is intended to provide a comprehensive list of the main restrictions set forth in the 2010 Law and in the Relevant Circulars as of the date of this Prospectus.

The Board of Directors may adopt further restrictions or limits for a particular Sub-Fund if so justified by the specific investment policy of that Sub-Fund. Such restrictions will be disclosed in the Appendix relating to that Sub-Fund.

In accordance with the 2010 Law, each Sub-Fund is considered to be a distinct UCITS in this section.

### 1. Investment Instruments

**1.1** The Fund's investments may consist solely of:

(a) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a Member State;

(b) Transferable Securities and Money Market Instruments dealt on another Regulated Market in a Member State;

(c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non- Member State or dealt on another Regulated Market in a non- Member State selected by the Board of Directors;

(d) new issues of Transferable Securities and Money Market Instruments, provided that:
- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another Regulated Market selected by the Board of Directors;
- such admission is secured within a year of issue;

(e) units of UCITS and/or other UCIs within the meaning of the first and second indent of Article 1 (2) of the directive 2009/65/EC, should they be situated in a Member State or not, provided that:
- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg Supervisory Authority to be equivalent to that laid down in European Community law, and that co-operation between these authorities is sufficiently ensured,
- the level of protection for unit-holders in the other UCIs is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the directive 2009/65/EC,
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period,
- no more than 10% of the UCITS' or the other UCIs' net assets, whose acquisition is contemplated, can, according to their fund rules or constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;

(f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in European Community law;

(g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market referred to in subparagraphs (a), (b) and (c); and/or OTC Derivatives, provided that:

- the underlying consists of instruments covered by this section 5.1, financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objectives as stated in the Prospectus and the relevant Appendix,
- the counterparties to OTC Derivative transactions are first class institutions, and
- the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative, and/or

(h) Money Market Instruments other than those dealt in on a Regulated Market if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking, any securities of which are listed on a stock exchange or dealt in on Regulated Markets referred to in subparagraphs (a), (b) or (c), or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by European Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg Supervisory Authority to be at least as stringent as those laid down by European Community law; or
- issued by other bodies belonging to the categories approved by the Luxembourg Supervisory Authority provided that investments in such instruments are subject to investor protection rules equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 million and which (i) represents and publishes its annual accounts in accordance with Directive 78/660/EEC, (ii) is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or (iii) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

**1.2** Contrary to the investment restrictions laid down in paragraph 1.1 above, each Sub-Fund may:

(a) invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to under paragraph 1.1 above; and

(b) hold liquid assets on an ancillary basis.

**1.3** Each Sub-Fund may invest in other Sub-Funds subject to the conditions laid down in Article 181 (8) of the 2010 Law and in the Articles of Incorporation.

## 2. Risk Diversification

**2.1** In accordance with the principle of risk diversification, the Fund is not permitted to invest more than 10% of the net assets of a Sub-Fund in Transferable Securities or Money Market Instruments of one and the same issuer. The total value of the Transferable Securities and Money Market Instruments in each issuer in which more than 5% of the net assets of a Sub-Fund are invested must not exceed 40% of the net assets of the respective Sub-Fund. This limitation does not apply to deposits and OTC Derivative transactions made with financial institutions subject to prudential supervision.

**2.2** The Fund is not permitted to invest more than 20% of the net assets of a Sub-Fund in deposits made with the same body.

**2.3** The risk exposure to a counterparty of a Sub-Fund in an OTC Derivative transaction and/or an Efficient Portfolio Management transaction may not exceed:

(a) 10% of its net assets when the counterparty is a credit institution referred to in paragraph 1.1 (f), or

(b) 5% of its net assets, in other cases.

**2.4** Notwithstanding the individual limits laid down in paragraphs 2.1, 2.2 and 2.3, a Sub-Fund may not combine:

(a) investments in Transferable Securities or Money Market Instruments issued by,
(b) deposits made with, and/or
(c) exposures arising from OTC Derivative transactions undertaken with a single body in excess of 20% of its net assets.

**2.5** The 10% limit set forth in paragraph 2.1 can be raised to a maximum of 25% in case of certain bonds issued by credit institutions which have their registered office in a Member State and are subject by law, in that particular country, to specific public supervision designed to ensure the protection of bondholders. In particular the funds which originate from the issue of these bonds are to be invested, in accordance with the law, in assets which sufficiently cover the financial obligations resulting from the issue throughout the entire life of the bonds and which are allocated preferentially to the payment of principal and interest in the event of the issuer's failure. Furthermore, if investments by a Sub-Fund in such bonds with one and the same issuer represent more than 5% of the net assets, the total value of these investments may not exceed 80% of the net assets of the corresponding Sub-Fund.

**2.6** The 10% limit set forth in paragraph 2.1 can be raised to a maximum of 35% for Transferable Securities and Money Market Instruments that are issued or guaranteed by a Member State or its local authorities, by a non- Member State selected by the Board of Directors, or by public international organisations of which one or more Member States are members.

**2.7** Transferable Securities and Money Market Instruments which fall under the special ruling given in paragraphs 2.5 and 2.6 are not counted when calculating the 40% risk diversification ceiling mentioned in paragraph 2.1.

**2.8** The limits provided for in paragraphs 2.1 to 2.6 may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body or in deposits or derivative instruments with this body shall under no circumstances exceed in total 35% of the net assets of a Sub-Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this section 2.

A Sub-Fund may invest, on a cumulative basis, up to 20% of its net assets in Transferable Securities and Money Market Instruments of the same group.

## 3. Exceptions

The following exceptions may be made:

**3.1** Without prejudice to the limits laid down in section 6, the limits laid down in section 2 are raised to a maximum of 20% for investment in shares and/or bonds issued by the same body if, according to the Supplement relating to a particular Sub-Fund the investment objective and policy of that Sub-Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the Luxembourg Supervisory Authority, on the following basis:

(a) its composition is sufficiently diversified,
(b) the index represents an adequate benchmark for the market to which it refers,
(c) it is published in an appropriate manner.

The above 20% limit may be raised to a maximum of 35%, but only in respect of a single body, where that proves to be justified by exceptional market conditions, in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant.

**3.2** **The Fund is authorised, in accordance with the principle of risk diversification, to invest up to 100% of the net assets of a Sub-Fund in Transferable Securities and Money Market Instruments from various offerings that are issued or guaranteed by a Member State or its local authorities, by an**

**OECD Country, or by public international organisations in which one or more Member States are members.**

**These securities must be divided into at least six different issues, with securities from one and the same issue not exceeding 30% of the total net assets of a Sub-Fund.**

## 4. Investment in UCITS and/or other UCIs

**4.1** Unless otherwise provided in the investment policy of a specific Sub-Fund, a Sub-Fund may acquire the units of UCITS and/or other UCIs referred to in paragraph 1.1 (e), provided that no more than 10% of its net assets be invested in the units of UCITS or other UCIs or in one single such UCITS or other UCI.

When a Sub-Fund has acquired units of UCITS and/or other collective investment undertakings, the assets of the respective UCITS or other collective investment undertakings do not have to be combined for the purposes of the limits laid down in section 2.

**4.2** When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company, if any, of the Fund is linked by common management or control, or by a substantial direct or indirect holding (representing more than 10% of the capital or voting rights), that management company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

In addition, the management company or the other company referred to above may not charge management fees of more than 0.25% per annum.

A Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or UCIs shall disclose in its Supplement the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the other UCITS and/or UCIs in which it intends to invest. In the annual report of the Fund it shall be indicated for each Sub-Fund the maximum proportion of management fees charged both to the Sub-Fund and to the UCITS and/or other UCI in which the Sub-Fund invests.

**4.3** A Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds of the Fund without the Fund being subject to the requirements of the 1915 Law, with respect to the subscription, acquisition and /or the holding by a company of its own shares, under the condition however that:

(a) the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in the target Sub-Fund.

(b) no more than 10% of the assets that the target Sub-Funds may be invested in aggregate in shares of other target Sub-Funds of the Fund

(c) the voting rights linked to the securities of the target Funds are suspended during the period of investment

(d) in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the Net Asset Value for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and

(e) there is no duplication of management/subscription or redemption fees between those at the level of the Sub-Fund having invested in the target Sub-Fund and those of the target Sub-Fund.

## 5. Tolerances and Multiple Sub-Fund Issuers

If, because of market movements or the exercising of subscription rights, the limits mentioned in this section 5 are exceeded, the Fund must have as a priority objective in its sale transactions the reduction of these positions within the prescribed limits, taking into account the best interests of the Investors.

Provided that they continue to observe the principles of diversification, newly established Sub-Funds may derogate from the limits mentioned under sections 2, 3 and 4 above for a period of six months following the date of their initial launch.

If an issuer of Investment Instruments is a legal entity with multiple Sub-Funds and the assets of a Sub-Fund may only be used to satisfy the rights of the investors relating to that Sub-Fund and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that Sub-Fund, each Sub-Fund is considered as a separate issuer for the purposes of applying the limits set forth under 2, 3.1 and 4.

## 6. Investment Prohibitions

The Fund is **prohibited** from:

**6.1** acquiring equities with voting rights that would enable the Fund to exert a significant influence on the management of the issuer in question;

**6.2** acquiring more than:

(a) 10% of the non-voting equities of one and the same issuer,
(b) 10% of the debt securities issued by one and the same issuer,
(c) 10% of the Money Market Instruments issued by one and the same issuer, or
(d) 25% of the units of one and the same UCITS and/or other UCI.

The limits laid down in (b), (c) and (d) may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

Exempted from the above limits are Transferable Securities and Money Market Instruments which, in accordance with article 48, paragraph 3 of the 2010 Law are issued or guaranteed by an Member State or its local authorities, by an OECD Country or which are issued by public international organisations of which one or more Member States are members.

**6.3** selling Transferable Securities, Money Market Instruments and other investment instruments mentioned under sub-paragraphs (e), (g) and (h) of paragraph 1.1 short;

**6.4** acquiring precious metals or related certificates;

**6.5** investing in real estate and purchasing or selling commodities or commodities contracts;

**6.6** borrowing on behalf of a particular Sub-Fund, unless:

(a) the borrowing is in the form of a back-to-back loan for the purchase of foreign currency; or
(b) the loan is only temporary and does not exceed 10% of the net assets of the Sub-Fund in question.

**6.7** granting credits or acting as guarantor for third parties. This limitation does not refer to the purchase of Transferable Securities, Money Market Instruments and other investment instruments mentioned under sub-paragraphs (e), (g) and (h) of paragraph 1.1 that are not fully paid up.

**6.8** acquiring securities of issuers which engage in business activities prohibited by the Oslo Convention on Cluster Munitions. In determining whether a company engages in such business activities, the Fund may rely on (a) assessments that are based on research analysis provided by institutions specialising in screening compliance with said conventions and/or (b) information provided by other vendors who provide relevant data feeds relating to cluster munition manufacturers and/or (c) on responses received from an issuer in the course of shareholder engagement activities and/or (d) on other publicly available information.

## 7. Restrictions on Securities Lending and Repurchase Transactions

The investment restrictions described under this section are the main applicable restrictions but are not exhaustive. All restrictions applicable to Securities Lending and Repurchase Transactions can be found in Circular 08/356 and ESMA 2012/832.

Those transactions shall exclusively be entered into for one or more of the following specific aims: (i) reduction of risk, (ii) reduction of cost and (iii) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and its relevant Sub-Fund and the risk diversification rules applicable to them. Moreover those transactions may be carried out for 100% of the assets held by the relevant Sub-Fund provided (i) that their volume is kept at an appropriate level or that the Fund is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and (ii) that these transactions do not jeopardise the management of the Fund's assets in accordance with the investment policy of the relevant Sub-Fund. Their risks shall be captured by the risk management process of the Fund.

**7.1** Securities lending transactions

The Fund may enter into securities lending transactions in accordance with the provisions of Circular 08/356 and ESMA 2012/832

**7.2** Repo transactions

The Fund may enter into sale with right of repurchases transactions ("*opérations à réméré*") as well as reverse repurchase transactions ("v*ente de titres à réméré*") and repurchase agreement transactions ("*opérations de prise en pension*") in accordance with the provisions of Circular 08/356 and ESMA 2012/832.

**7.3** Management of collateral[2]

The risk exposures to a counterparty arising from OTC financial derivative transactions and Efficient Portfolio Management techniques shall be combined when calculating the counterparty risk limits provided for under item Section 2. Risk Diversification above.

Where a Sub-Fund enters into OTC financial derivative transactions and Efficient Portfolio Management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

a) any collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of the Section 2. Risk Diversification above.

b) collateral received shall be valued in accordance with the rules described in the *Chapter 8 - Valuation* on at least a daily basis. Assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.

c) collateral received shall be of high quality.

d) the collateral received shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

e) collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the UCITS receives from a counterparty of Efficient Portfolio Management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When UCITS are exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer:

f) where there is a title transfer, the collateral received shall be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral:

g) collateral received shall be capable of being fully enforced by the relevant Sub-Fund at any time without reference to or approval from the counterparty:

[2] Sub-Funds launched prior to 18 February 2013 (currently applying CSSF Circular 08/356) will have to comply with this provision by 18 February 2014, except for rules applying to the reinvestment of cash collateral which apply as from 18 February 2013.

h) non-cash collateral received shall not be sold, re-invested or pledged:

i) cash collateral received shall only be:
- placed on deposit with entities as prescribed in the point 1.1 (f) of the Section 1.Investment Instruments above;
- invested in high-quality government bonds;
- used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Sub-Fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in the “Guidelines on a Common Definition of European Money Market Funds”.

Re-invested cash collateral shall be diversified in accordance with the diversification requirements applicable to non-cash collateral.

Concerning non-cash collateral, the list of eligible collateral is specified in the International Swaps and Derivatives Association Master Agreement (“ISDA Agreement”) executed with the counterparty. The credit support shall only qualify as eligible if they are fixed income securities issued or guaranteed by the United States government, or an agency, instrumentality, or sponsored entity thereof, or on the relevant Valuation Date, rated at least AA by Standard & Poor’s Corporation or at least Aa2 by Moody’s Investors Service Inc., or any successor to the rating business of each entity. The collateral value is reduced by a percentage (a “haircut”) for the purpose of determining the amount required to be delivered by a posting party. The valuation haircut percentages depend on the types of collateral delivered, as negotiated with the counterparty.

Where a collateral support annex is in place with a client, the collateral haircuts will be as follows:

| ISDA COLLATERAL ASSET DEFINITION (ICAD) | REMAINING MATURITY | VALUATION PERCENTAGE (Min – Max) |
|---|---|---|
| US-Cash | Not applicable | 90%-100% |
| US-Treasury Bills<br>US-Treasury Note<br>US-Treasury Bond<br>US-Treasury Inflation Protected Issues | Less than 1 year | 89%-100% |
| | From 1 year, up to and including 5 years | 86%-100% |
| | More than 5 years, up to and including 10 years | 84%-100% |
| | More than 10 years but less than 30 years | 78%-98% |
| US-Treasury Strips | All | 72%-92% |
| US-Callable Agency Debt–Government National Mortgage Association<br>US-Callable Agency Debt – Federal National Mortgage Association<br>US-Callable Agency Debt –the Federal Home Loan Mortgage Corporation<br>US-Non-Callable Agency Debt – Various Issuers<br>US-Non-Callable Agency Discount Notes – Various Issuers | Less than 1 year | 87%-100% |
| | From 1 year, up to and including 5 years | 85%-100% |
| | More than 5 years, up to and including 10 years | 82%-100% |
| | More than 10 years but less than 30 years | 75%-95% |
| US-Government National Mortgage Association Certificates – Mortgage Backed Securities<br>US-Federal National Mortgage Association Certificates – Mortgage Backed Securities<br>US-Federal Home Loan Mortgage Corporation Certificates – Mortgage Backed Securities | Not Applicable | 75%-95% |

## B. INVESTMENT TECHNIQUES

### 1. Efficient Portfolio Management Techniques

**Policy regarding direct and indirect operational costs/fees arising from Efficient Portfolio Management techniques:**
There will be no substantial direct and indirect operational costs arising from Efficient Portfolio Management techniques that may be deducted from the revenue delivered to the Fund. It is not expected that conflicts of interest will arise when using techniques and instruments for the purpose of Efficient Portfolio Management.

**Information regarding the use of total return swaps:**
With respect to the Sub-Funds TCW Emerging Markets Income Fund and TCW Emerging Markets Local Currency Income Fund, derivative instruments such as total return swaps or credit linked notes, may be utilised for "access trades" where a specific asset can be acquired most efficiently for settlement or tax reasons through a fully funded non-leveraged derivatives transaction. Derivatives may also be used for overall portfolio hedging purposes from time to time. However, the portfolio managers for these Sub-Funds tend to primarily rely on the cash markets.

With respect to the Sub-Funds MetWest High Yield Bond Fund, MetWest Total Return Bond Fund and the TCW Total Return Bond Fund, derivative instruments such as interest rate swaps, credit default swaps, U.S. Treasury futures and options contracts may be utilised to add incremental value, to hedge credit exposure, or to tactically move duration and/or yield curve exposure. Derivatives are generally not used to take speculative positions, but rather serve as a tool to maintain portfolio consistency with the investment team's outlook for interest rates, economic growth, and broad market risks and opportunities.

In normal market conditions, total return swap and credit default swaps generally comprise less than 20% of each respective Sub-Fund portfolio.

Counterparties to derivatives that the Fund enters into are well established dealers in these instruments. The Investment Manager monitors counterparty exposures and related collateral management on a daily basis. For risks related to Counterparties, please refer to “Counterparty Risk” in the “Risk Factor Description” Section. Should a Counterparty fail to perform under the terms of the derivative contract, such failure may adversely affect performance of the relevant Sub-Fund.

## 2. Techniques and Instruments Relating to Transferable Securities

For the purpose of hedging and Efficient Portfolio Management, the Sub-Funds may undertake transactions relating to financial futures, (i.e. interest rate, currency, stock index and futures on Transferable Securities), warrants and options contracts traded on a Regulated Market, transactions relating to OTC options, swaps and swaptions with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market. Sub-Funds which undertake such transactions will bear specific costs associated to this type of transaction.

**Options on Transferable Securities**

A Sub-Fund may buy and sell put and call options on transferable securities. At the conclusion as well as during the existence of contracts for the sale of call options on securities, a Sub-Fund will hold either the underlying securities, matching call options, or other instruments (such as warrants) that provide sufficient coverage of the commitments resulting from these transactions. The underlying securities related to written call options may not be disposed of as long as these options are outstanding unless such options are covered by matching options or by other instruments that can be used for that purpose. The same applies to equivalent call options or other instruments which a Sub-Fund must hold where it does not have the underlying securities at the time of the writing of such options.

A Sub-Fund may not write uncovered call options on Transferable Securities. As a derogation from this rule, a Sub-Fund may write call options on securities that it does not hold at inception of the transaction, if the aggregate exercise price of such uncovered written call options does not exceed 25% of the Net Assets of the Sub-Fund and the Sub-Fund is, at any time, in a position to cover the open position resulting from such transactions.

Where a put option is sold, the Sub-Fund’s corresponding portfolio must be covered for the full duration of the contract by adequate liquid assets that would meet the exercise value of the contract, should the option be exercised by the counterpart.

**Hedging through Stock Market Index Futures, Warrants and Options**

As a global hedge against the risk of unfavourable stock market movements, a Sub-Fund may sell futures contracts on stock market indices, and may also sell call options, buy put options or transact in warrants on stock market indices, provided there is sufficient correlation between the composition of the index used and the Sub-Fund’s corresponding portfolio. The total commitment resulting from such futures, warrants and option contracts on stock market indices may not exceed the global valuation of securities held by the relevant Sub-Fund’s corresponding portfolio in the market corresponding to each index.

**Hedging through Interest Rate Futures, Options, Warrants, Swaps and Swaptions**

As a global hedge against interest rate fluctuations, a Sub-Fund may sell interest rate futures contracts and may also sell call options, buy put options or transact in warrants on interest rates. The total commitment resulting from such futures, warrants and option contracts on interest rates may not exceed the total market value of the assets to be hedged held by the Sub-Fund in the currency corresponding to these contracts.

**Futures, Warrants and Options on Other Financial Instruments for a Purpose Other than Hedging**

As a measure towards achieving a fully invested portfolio and retaining sufficient liquidity, a Sub-Fund may buy or sell futures, warrants and options contracts on financial instruments (other than Transferable Securities or currency contracts), such as instruments based on stock market indices and interest rates, provided that these are in line with the stated investment objective and policy of the corresponding Sub-Fund and the total commitment arising from these transactions together with the total commitment arising from the sale of call and put options on Transferable Securities at no time exceeds the Net Asset Value of the relevant Sub-Fund.

With regard to the "total commitment" referred to in the preceding paragraph, the call options written by the Sub-Fund on Transferable Securities for which it has adequate cover do not enter in the calculation of the total commitment. The commitment relating to transactions other than options on Transferable Securities shall be defined as follows:

-the commitment arising from futures contracts is deemed equal to the value of the underlying net positions payable on those contracts which relate to identical financial instruments (after setting off all sale positions against purchase positions), without taking into account the respective maturity dates, and

-the commitment deriving from options purchased and written as well as warrants purchased and sold is equal to the aggregate of the exercise (striking) prices of net uncovered sales positions which relate to single underlying assets without taking into account respective maturity dates.

The aggregate acquisition prices (in terms of premiums paid) of all options on Transferable Securities purchased by the Sub-Fund together with options acquired for purposes other than hedging (see above) may not exceed 15% of the Net Assets of the relevant Sub-Fund.

Each Sub-Fund may also buy and sell futures on Transferable Securities. The limits applicable to this investment are the ones described above under the point 1) *Techniques and Instruments relating to Transferable Securities*.

**Swaps for the Purpose of Hedging and Efficient Portfolio Management**

A swap is a contract (typically with a bank or a brokerage firm) to exchange two streams of payment (for example, an exchange of floating rate payments for fixed payments). A Sub-Fund may enter into swap contracts under the following restrictions:

- each of these swap contracts shall be entered into with first class financial institutions in the Investment Manager's or the relevant Investment Sub-Manager's opinion that specialise in these types of transactions; and

- all such permitted swap transactions must be executed on the basis of industry accepted documentation/standardised documentation, such as the ISDA Master Agreement.

Subject to the investment restrictions, the Sub-Funds may also enter performance swaps or total rate of return swaps ("**TRORS**"), which contracts in which one party receives interest payments on a reference asset plus any capital gains and losses over the payment period, while the other receives a specified fixed or floating cash flow unrelated to the credit worthiness of the reference asset, especially where the payments are based on the same notional amount. The reference asset may be any asset, index, or basket of assets.

The performance swap or TRORS, then, allow one party to derive multiple economic benefit of owning an asset without putting that asset on its balance sheet, and allow the other (which does retain that asset on its balance sheet) to buy protection against loss in its value.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under "Investment Objective" and "Investment Policy" of each Sub-Fund.

**Credit Default Swaps**

Investment Manager may also use credit default swaps ("**CDS**"). In each Sub-Fund provided (i) that the use of CDS must fit the investment and risk profiles of the Sub-Fund concerned, (ii) that there is an adequate permanent coverage of the commitments linked to the CDS and that (iii) the Sub-Fund concerned is always in a position to honour the investors' redemption requests. The selected CDS must be sufficiently liquid so as to allow the Sub-Fund concerned to sell/settle the contracts in question at the defined theoretical prices. The counterparty in these cases must be a prime financial institution that is specialising in this type of transaction. Both the issuer and the underlying borrower must always follow the investment policy described in this Prospectus.

When using CDS, the counterparty pays the opposite a premium in exchange for a compensatory payment if an agreed credit event (e.g. a default in interest payments) occurs in the underlying reference unit (e.g. bonds, notes) to one of the reference parties.

The periodic payment of premium is normally expressed in basis points per nominal value. In principle, premiums are paid periodically for a default hedge. Short-term transactions may, however, be set up beforehand.

The counterparties are normally referred to as insurance buyers (who pay the premium) and insurance sellers (who pay the compensatory payment). Depending on the terms of the agreement, the insurance buyer delivers the reference asset (or other agreed asset, which either ranks equally or as a subordinated basis in terms of payment) at par. Alternatively, the settlement may also be in cash.

If the objective of the investor is to transfer or acquire a credit risk on the derivatives market, the default swap is the most suitable and liquid instrument.

A credit default swap is a fixed-income investment which seeks to capture exposure to a bond in terms of credit risk. If a reference party is no longer able to meet its payment obligations, the insurance buyer delivers to the insurance seller (investor) a Eurobond or cash settlement, as specified in the contractual terms, to replace the repayment amount.

In the event of a default, in principle, all the bonds of an issuer of the reference asset are traded at the same prices as they generally include a cross default clause and fall due for direct payment. Accordingly, the investor's position is the same regardless of whether he has invested in a government bond or in a default swap.

The advantages of a credit default swap are:

-they are sometimes traded with higher spreads (the difference between the buying and selling price) than bonds due to factors related to supply and demand or the credit spread curve of the country.

-frequently they offer the only opportunity to invest in fixed-income securities.

The use of credit default swaps may lead to additional counterparty risk.
For liquidity reasons or the fact that the market assumes that certain bonds are treated differently in the event of default, it is possible that not all bonds in default will be traded at the same dollar price. This aspect is reflected directly in the price of the credit default swap.

Investors benefit from this type of transaction as the Sub-Fund can thereby achieve better diversification of country risk and can make investments under attractive terms.

The commitment from CDS can be defined as follows:

-the commitments correspond to the net selling position of the underlying reference unit or asset (nominal value of reference + accrued interest + premiums paid),

-the commitments from CDS should not exceed 100% of the Sub-Fund's Net Assets.

The general diversification rules (e.g. 10% of the Net Assets in one issuer) must apply to the CDS issuer and to the CDS' final debtor risk ("underlying").

### 3. Techniques and Instruments to protect against Exchange Risks- For Purposes Other Than Hedging

For purposes other than hedging, each Sub-Fund may purchase, sell and have outstanding commitments in futures contracts, warrants and options on currencies and enter into currency swap agreements and currency forward exchange contracts.

These techniques and instruments on currencies for purposes other than hedging will be used in order to offer an exposure of up to 100% of a Sub-Fund's net assets to another currency as described in Appendix III.

### 4. Techniques and Instruments to protect against Exchange Risks- For Hedging Purposes

For the purpose of protecting against currency fluctuation, each Sub-Fund may purchase, sell and have outstanding commitments in futures contracts, warrants and options on currencies and enter into currency swap agreements and currency forward exchange contracts.

The hedging objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transactions and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency may not substantially exceed the valuation of the aggregate assets denominated in that currency nor may they, as regards their duration, exceed the period during which such assets are held.

### 5. Other instruments

**Warrants**

Warrants shall be considered to be Transferable Securities if they give the investor the right to acquire newly issued or to be issued Transferable Securities. The Sub-Funds, however, may not invest in warrants where the underlying is gold, oil or other commodities.

The Sub-Funds may invest in warrants based on stock exchange indices for the purpose of Efficient Portfolio Management.

**Structured Notes**

Subject to any limitations in its investment objective and policy and to the *Investment Restrictions* outlined above, each Sub-Fund may invest in structured notes, comprising listed government bonds, medium-term notes, certificates or other similar instruments issued by prime rated issuers where the respective coupon and/or redemption amount has been modified (or structured), by means of a financial instrument. These notes are valued by brokers with reference to the revised discounted future cash flows of the underlying assets. The investment restrictions apply to both the issuer of the notes as well as on the underlying reference asset of such notes.

# 21. List of Counterparties

**LIST OF RECIPIENTS OF DATA AND RELATED PURPOSES**

**DEPOSITARY BANK ACTIVITIES AND SERVICES**

**1.1 LIST OF DELEGATED ACTIVITIES AND SERVICES**

The Depositary may delegate Safe-keeping Services (as defined in the Depositary Agreement) to Safe-keeping Delegates under the conditions stipulated in the Depositary Agreement and in accordance with article 34*bis* of the 2010 Law and articles 13 to 17 of the EU Level 2 Regulation. Safe-keeping Delegates are as follows:

| Société Générale Group entities, country | Outsourced tasks |
|---|---|
| **Société Générale, France (« SG Paris »)** | SGBT uses a European platform SITI (Institutional Investors Securities Information System) located within SG Paris for its custodian activities. In this context, SG Paris is in charge of:<br>- corrective and progressive maintenance of this platform<br>- the tools access management<br>- users assistance<br>- data load maintenance<br><br>This platform offers to the Fund's a web-based tool (SGSS Gallery) facility which permits it to have access to the information related to its activities.<br><br>Furthermore, SGBT acting as Depositary, outsources to SG Paris, some tasks relating to the following processes:<br><br>**1. Clearing and Custody of the assets of the Funds**<br>- Ensuring maintenance of the Funds accounts on the SITI platform.SG Paris has outsourced the account administrative tasks to Société Générale Global Solution Centre Pvt Ltd, India ("SG GSC India"). Managing for the Funds to be properly represented in the General Board Meetings relating to their assets. SG Paris has outsourced this task to Broadridge, (London). Processing payments of coupons and redemption on securities<br>- Managing corporate actions on securities<br>- Managing tax recollection on the assets of the Funds<br>- Managing cash transactions<br>- Managing securities master database<br>- Managing securities settlement (Funds' assets)<br>- Managing subscriptions and redemptions on collective investments vehicles (Fund's assets)<br>- Assistance in elaborating regulatory reports<br>- Managing the sub-custodian network (selecting sub-custodians and ensuring quality on an on-going basis)<br>- Performing reconciliation of the funds securities and cash positions between the sub-custodian and the custodian<br><br>**2. Control on investment restrictions and policy of the Funds** |

| | |
|---|---|
| | - Performing maintenance of the "MIG 21" solution dedicated to the Investment policy and restrictions controls.<br>- In the tool : parameterizing the Funds, creating the investment rules, allocating the rules to the Funds and checking data quality for Fund compliance controls in accordance to the applicable regulations and statutory constraints of the Fund. SG Paris is going to outsource the tasks related to parameterizing the Funds, allocating the rules to the Funds and checking data quality to SG GSC India.<br><br>**3. Management of Depositary fees**<br>SGBT uses an invoicing and data warehouse tools located within Société Générale France, to handle the invoicing of depositary bank fees.<br><br>**4. Handling of a centralized referential customer database** |
| **Société Générale Securities Services, France (« SGSS France »)** | The outsourced services consist in the booking of transactions on OTC instruments (including Foreign Exchanges) as well as management of cash flows related to these products. |
| **Société Générale Securities Services, Ireland Ltd.** | The outsourced services consist in global coordination and follow up of customer projects and funds events, with all contributors relating to Luxembourg funds. |

| Other entities, Country | Outsourced tasks |
|---|---|
| **Cetrel Securities SA, Luxembourg (« Cetrel »)** | As far as the control on investment restrictions and policy of the Funds is concerned, SGBT acting as the Depositary, outsources to Cetrel, the automation of the post-trade analysis related to the eligibility status of the instruments held in the UCITS funds. |

The above mentioned outsourcings comply with the Luxembourg applicable laws and fall under the supervision and liability of SGBT.

### 1.2 Sub-Custodian Network

SGBT acting as the Depositary uses as Global Custodian:
**Société Générale, France (« SG Paris »)**

With regards to the local investments of the funds for which SGBT acts as Depositary, SG Paris uses financial institutions as local sub-custodians as listed in the following website:
http://www.securities-services.societegenerale.com/en/who-are/key-figures/financial-reports/

# 22. Conflict of Interest

In all circumstances the Depositary shall, in carrying out its functions of depositary, act honestly, fairly, professionally and independently and solely in the interest of the Fund and its Shareholders in accordance with article 37 of the 2010 Law. In this respect, the activities of the Depositary are managed and organised in such a way as to minimise any potential conflicts of interest. In particular, the Depositary has, functionally and hierarchically, separated the performance of its depositary tasks from its other potentially conflicting tasks.

The Depositary has in place a policy for the prevention, detection and management of conflicts of interest resulting from the concentration of activities in Société Générale's group or from the delegation of functions to other Société Générale entities or to an entity linked to the Management Company.

Further details are available on:
https://www.sgbt.lu/fileadmin/user_upload/SGBT/PDF/Summary_of_the_conflicts_of_interest_management_policy.pdf.

Investors may obtain, free of charge, on request, a copy of the conflict of interest management policy at the registered office of the Fund, or the Depositary Bank.

In this respect, Société Générale Bank & Trust in its capacity, in one hand, as depositary and paying agent and, on the other hand, as administrative agent and registrar agent of the Fund (i) has established, implemented and maintains operational an effective conflicts of interest policy; (ii) has established a functional, hierarchical and contractual separation between the performance of its depositary functions and the performance of other tasks and (iii) proceeds with the identification as well as the management and adequate disclosure of potential conflicts of interest in the manner described in the preceding paragraph.

# 23. Remuneration Policy

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website http://www.carnegroup.com/policies-and-procedures/. A paper copy of the remuneration policy will be made available free of charge upon request.

The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles and the Articles. The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS funds which it manages and of the investors in such UCITS funds and includes measures to avoid conflicts of interest.

The assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS funds managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the UCITS funds and their investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

The Management Company has implemented a remuneration structure whereby the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration. As any variable remuneration portion is fully discretionary, the Management Company retains full flexibility in the operation of the flexible remuneration component as it has the possibility to award no variable pay. This means that any variable remuneration is paid only if it is sustainable according to the financial situation of the Management Company and the Carne group as a whole, and justified according to the performance of the Management Company and the individual concerned. Where there is subdued or negative performance of the Management Company, the award of any variable remuneration will take into account the current total compensation of the individual.

The variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the applicable legislation and regulatory requirements. In consideration for its services, the Management Company is entitled to receive fees from the Fund for each Sub-Fund as stipulated in each Sub-Fund relevant Appendix.

Additional qualitative and quantitative information on remuneration of the identified staff of the Management Company and of the identified staff of the delegate of the Management Company to whom investment management functions (including risk management, if any) have been delegated is included in the yearly annual report, including financial statements.

The delegated investment manager has applied a remuneration policy which is consistent with the principles described above.

TCW

# Appendix I- Classes of Shares

## TABLE 1

This table further details the characteristics of each Class of Shares.

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| **A Classes category** | | | | | | | | |
| AC | All investors | Denominated in CHF; unhedged | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| ACHC | | Denominated in CHF; hedged in CHF | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| AE | | Denominated in EUR; unhedged | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| AEHE | | Denominated in EUR; hedged in EUR | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| AGHG | | Denominated in GBP; hedged in GBP | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| AR | | Denominated in CNH; unhedged | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| ARHR | | Denominated in CNH; hedged in CNH | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| AU | | Denominated in USD; unhedged | 0.05% | 1 Share | Capitalisation | up to 4.5% | n.a. | n.a. |
| AU-MD | | Denominated in USD; unhedged | 0.05% | USD 1,000 | Distribution | up to 5.0% | n.a. | n.a. |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| **ATF Classes category** | | | | | | | | |
| ATFE | All Investors which will invest only by the trading on the ATFund market of the Borsa Italiana, the Italian stock exchange | Denominated in EUR; unhedged | 0.05% | 1 Share | Capitalisation | 0% | 0% | 0% |
| ATFHE | | Denominated in EUR; hedged in EUR | 0.05% | 1 Share | Capitalisation | 0% | 0% | 0% |
| **B Classes category** | | | | | | | | |
| BJHJ-SD | All investors | Denominated in JPY; hedged in JPY | 0.05% | JPY 50 million or 5,000 Shares* | Distribution | n.a. | n.a. | n.a. |
| **F Classes category** | | | | | | | | |
| FEHE | All investors; only available through authorised Distributors | Denominated in EUR; hedged in EUR | 0.05% | 1 Share | Capitalisation | 0% | n.a. | n.a. |
| FEHE-MD | | Denominated in EUR; hedged in EUR | 0.05% | 1 Share | Monthly distribution | 0% | n.a. | n.a. |
| FU | | Denominated in USD; unhedged | 0.05% | 1 Share | Capitalisation | 0% | n.a. | n.a. |
| **I Classes category** | | | | | | | | |
| IA | Institutional investors and, in certain limited circumstances, for distribution in certain countries and/or through certain sub- | Denominated in AUD; Unhedged | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IA-QD | | Denominated in AUD; Unhedged | 0.01% | Equivalent to USD 1 million* | Quarterly distribution | up to 2.5% | n.a. | n.a. |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| IAHA | distributors and/or professional investors at the discretion of the Principal Distributor | Denominated in AUD; hedged in AUD | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IAHA-QD | | Denominated in AUD; hedged in AUD | 0.01% | Equivalent to USD 1 million* | Quarterly distribution | up to 2.5% | n.a. | n.a. |
| ICHC | | Denominated in CHF, hedged in CHF | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IE | | Denominated in EUR; Unhedged | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IEHE | | Denominated in EUR; hedged in EUR | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IE-YD | | Denominated in EUR; unhedged | 0.01% | Equivalent to USD 1 million* | Yearly distribution | up to 2.5% | n.a. | n.a. |
| IGHG-QD | | Denominated in GBP; hedged in GBP | 0.01% | Equivalent to USD 1 million* | Quarterly distribution | up to 2.5% | n.a. | n.a. |
| IG-QD | | Denominated in GBP; unhedged | 0.01% | Equivalent to USD 1 million* | Quarterly distribution | up to 2.5% | n.a. | n.a. |
| IHHH | | Denominated in HKD; hedged in HKD | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IR | | Denominated in CNH; unhedged | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IRHR | | Denominated in CNH, hedged in CNH | 0.01% | Equivalent to USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |
| IU | | Denominated in USD; unhedged | 0.01% | USD 1 million* | Capitalisation | up to 2.5% | n.a. | n.a. |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| IU-YD | | Denominated in USD; unhedged | 0.01% | USD 1 million* | Yearly distribution | up to 2.5% | n.a. | n.a. |
| **OU Classes category** | | | | | | | | |
| OU | Reserved for (i) the Investment Manager or any affiliated or associated person thereof; (ii) other UCIs promoted, advised, managed or sub-managed by the Investment Manager or any affiliated or associated company thereof; (iii) discretionary management mandates, advisory agreements concluded with institutional investors or "dedicated funds" (subscribed substantially by a single institutional investor) with the Investment Manager or any affiliated or associated company thereof; and (iv) any Sub-Fund | Denominated in USD; unhedged | 0.01% | 1 Share | Capitalisation | 0% | n.a. | n.a. |
| | | | | | | | | |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| **R Classes category** | | | | | | | | |
| RC | Dedicated to any individual or legal entity and may be expressed in different currencies. The minimum subscription amount is one million US Dollars (USD 1,000,000) or the equivalent in EUR of USD 1,000,000 unless otherwise approved by the Directors | Denominated in CHF; unhedged | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |
| RCHC | | Denominated in CHF; hedged in CHF | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |
| RC-QD | | Denominated in CHF; unhedged | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| RCHC-QD | | Denominated in CHF; hedged in CHF | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| RE | | Denominated in EUR; unhedged | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |
| REHE | | Denominated in EUR; hedged in EUR | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |
| RE-QD | | Denominated in EUR; unhedged | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| REHE-QD | | Denominated in EUR; hedged in EUR | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| RG | | Denominated in GBP; unhedged | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |
| RGHG | | Denominated in GBP; hedged in GBP | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| RG-QD | | Denominated in GBP; unhedged | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| RGHG-QD | | Denominated in GBP; hedged in GBP | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| RU | | Denominated in USD; unhedged | 0.05% | Equivalent to USD 1 million* | Capitalisation | 0% | 0% | 0% |
| RU-QD | | Denominated in USD; unhedged | 0.05% | Equivalent to USD 1 million* | Quarterly distribution | 0% | 0% | 0% |
| **X Classes category** | | | | | | | | |
| XA | Reserved for Institutional Investors, clients of TCW Investment Management Company LLC and its affiliates, who are especially authorised by the Board of Directors to invest in Class X Shares | Denominated in AUD; unhedged | 0.01% | AUD 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XA-QD | | Denominated in AUD; unhedged | 0.01% | AUD 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XAHA | | Denominated in AUD; hedged in AUD | 0.01% | AUD 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XAHA-QD | | Denominated in AUD; hedged in AUD | 0.01% | AUD 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XE | | Denominated in EUR; unhedged | 0.01% | EUR 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XC | | Denominated in CHF; unhedged | 0.01% | CHF 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XCHC | | Denominated in CHF; hedged in CHF | 0.01% | CHF 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XC-QD | | Denominated in CHF; unhedged | 0.01% | CHF 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XCHC-QD | | Denominated in CHF; hedged in CHF | 0.01% | CHF 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| XEHE | | Denominated in EUR; hedged in EUR | 0.01% | EUR 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XEHE-QD | | Denominated in EUR; hedged in EUR | 0.01% | EUR 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XE-YD | | Denominated in EUR; unhedged | 0.01% | EUR 1,000 | Yearly distribution | up to 5% | n.a. | n.a. |
| XGHG-QD | | Denominated in GBP; hedged in GBP | 0.01% | GBP 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XG-QD | | Denominated in GBP; unhedged | 0.01% | GBP 1,000 | Quarterly dividend | up to 5% | n.a. | n.a. |
| XG-YD | | Denominated in GBP; unhedged | 0.01% | GBP 1,000 | Yearly dividend | up to 5% | n.a. | n.a. |
| XHHH | | Denominated in HKD; hedged in HKD | 0.01% | TBD | Capitalisation | up to 5% | n.a. | n.a. |
| XJ | | Denominated in JPY; unhedged | 0.01% | JPY 100 thousand | Monthly distribution | up to 5% | 0.1%** Except in sub-funds US REIT Income Fund, TCW Multi-Income US Equites Fund and MetWest Unconstrained Bond Fund where the redemption fee rates is n.a. | 0.1%** Except in sub-funds US REIT Income Fund, TCW Multi-Income US Equites Fund and MetWest Unconstrained Bond Fund where the redemption fee rates is n.a. |
| XJC | | Denominated in JPY; unhedged | 0.01% | JPY 100 thousand | Capitalisation | up to 5% | 0.1%** | 0.1%** |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| XJHJ | | Denominated in JPY; hedged in JPY | 0.01% | JPY 100 thousand | Monthly distribution | up to 5% | 0.1%** Except in sub-fund MetWest Unconstrained Bond Fund where the redemption fee rates is n.a. | 0.1%** Except in sub-fund MetWest Unconstrained Bond Fund where the redemption fee rates is n.a. |
| XJHJA | | Denominated in JPY; hedged in JPY | 0.01% | JPY 100 thousand | Monthly distribution | up to 5% | 0.1%** | 0.1%** |
| XJHJB | | Denominated in JPY; hedged in JPY | 0.01% | JPY 100 thousand | Monthly distribution | up to 5% | 0.1%** | 0.1%** |
| XR | | Denominated in CNH; unhedged | 0.01% | CNH 1 million | Capitalisation | up to 5% | n.a. | n.a. |
| XRHR | | Denominated in CNH; hedged in CNH | 0.01% | CNH 1 million | Capitalisation | up to 5% | n.a. | n.a. |
| XSHS | | Denominated in SGD; hedged in SGD | 0.01% | SGD 1 million* | Capitalisation | up to 5% | n.a. Except in sub-fund TCW Select Equities Fund where the redemption fee rates is 0.1%** | n.a. Except in sub-fund TCW Select Equities Fund where the redemption fee rates is 0.1%** |
| XU | | Denominated in USD; unhedged | 0.01% | USD 1 ,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XU-YD | | Denominated in USD; unhedged | 0.01% | USD 1 ,000 | Yearly distribution | up to 5% | n.a. | n.a. |

| Share Class | Investors | Specific Characteristics | Subscription Tax | Minimum Investment | Capitalisation / Distribution | Subscription Fee | Redemption Fee | Conversion Fee |
|---|---|---|---|---|---|---|---|---|
| XXEHE | | Denominated in EUR; hedged in EUR | 0.01% | EUR 1,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XXEHE-QD | | Denominated in EUR; hedged in EUR | 0.01% | EUR 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XXGHG-QD | | Denominated in GBP; hedged in GBP | 0.01% | GBP 1,000 | Quarterly distribution | up to 5% | n.a. | n.a. |
| XXU | | Denominated in USD; unhedged | 0.01% | USD 1 ,000 | Capitalisation | up to 5% | n.a. | n.a. |
| XXU-QG | | Denominated in USD; unhedged | 0.01% | USD 1 ,000 | Quarterly distribution | up to 5% | n.a. | n.a. |

* Unless otherwise approved by the Board of Directors.
** The fee will be credited to the Sub-Fund.

TCW

## TABLE 2

**Classes of Shares issued by Sub-Fund**

Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within an existing Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name of the Sub-Fund | Sub-Fund Base Currency | Share Class NAV Currency | Share Class | Code ISIN | Management Fee | Service Fee | Maximum Distribution Fee | Subscription Tax | Maximum Total Expense Ratio |
|---|---|---|---|---|---|---|---|---|---|
| MetWest Total Return Bond Fund | USD | CHF | ACHC | TBD | TBD | TBD | / | 0.05% | TBD |
| | | EUR | AE | LU0905645791 | 0,80% | 0,20% | / | 0.05% | 1,05% |
| | | EUR | AEHE | LU0905645528 | 0,80% | 0,20% | / | 0.05% | 1,05% |
| | | USD | AU | LU0905645445 | 0,80% | 0,20% | / | 0.05% | 1,05% |
| | | USD | AU-MD | TBD | 1.10% | 0.20% | / | 0.05% | 1.35% |
| | | EUR | ATFE | LU1266771622 | 0.40% | 0.10% | / | 0.05% | 0.55% |
| | | EUR | ATFHE | LU1266771895 | 0.40% | 0.10% | / | 0.05% | 0.55% |
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | EUR | IEHE | LU1145152564 | 0,40% | 0,10% | / | 0.01% | 0,51% |
| | | GBP | IGHG-QD | LU1298484053 | 0,40% | 0,10% | / | 0.01% | 0,51% |
| | | USD | IU | LU0905645874 | 0,40% | 0,10% | / | 0.01% | 0,51% |
| | | USD | IU-YD | TBD | 0.40% | 0.10% | / | 0.01% | 0.51% |
| | | USD | OU | N/A | TBD | TBD | / | 0.01% | TBD |
| | | EUR | REHE | LU1440688742 | 0.40% | 0,10% | / | 0.05% | 0,55% |
| | | GBP | RGHG | TBD | 0.40% | 0,10% | / | 0.05% | 0,55% |
| | | GBP | RGHG-QD | LU1440688668 | 0.40% | 0,10% | / | 0.05% | 0,55% |
| | | USD | RU | LU1440688825 | 0.40% | 0,10% | / | 0.05% | 0,55% |
| MetWest Unconstrained Bond Fund | USD | CHF | ACHC | TBD | TBD | TBD | / | 0.05% | TBD |
| | | EUR | AEHE | LU1271656883 | 1,40% | 0,20% | / | 0.05% | 1,65% |
| | | EUR | ATFE | LU1266772273 | 0.70% | 0,10% | / | 0.05% | 0.85% |
| | | EUR | ATFHE | LU1266772356 | 0.70% | 0,10% | / | 0.05% | 0.85% |
| | | USD | AU | LU1437591057 | 1.40% | 0.20% | / | 0.05% | 1.65% |
| | | USD | AU-MD | N/A | 1.40% | 0.20% | / | 0.05% | 1.65% |
| | | AUD | IA-QD | LU1539119245 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | AUD | IAHA-QD | LU1539122033 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | CHF | ICHC | LU1508492920 | 0.70% | 0,10% | / | 0.01% | 0,81% |

| Name of the Sub-Fund | Sub-Fund Base Currency | Share Class NAV Currency | Share Class | Code ISIN | Management Fee | Service Fee | Maximum Distribution Fee | Subscription Tax | Maximum Total Expense Ratio |
|---|---|---|---|---|---|---|---|---|---|
| | | GBP | IGHG-QD | LU1298483675 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | USD | IU | LU1109965431 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | USD | IU-YD | LU1134579538 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | EUR | IEHE | LU1377852261 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | EUR | IE-YD | LU1134579371 | 0.70% | 0,10% | / | 0.01% | 0,81% |
| | | USD | OU | N/A | 0.00% | 0,10% | / | 0.01% | 0,11% |
| | | EUR | REHE | LU1806397722 | 0,70% | 0,10% | / | 0,05% | 0,85% |
| | | GBP | RGHG-QD | LU1440689047 | 0.70% | 0,10% | / | 0.05% | 0,85% |
| | | USD | RU | LU1806397995 | 0,70% | 0,10% | / | 0,05% | 0,85% |
| | | USD | RU-QD | LU1440689120 | 0.70% | 0,10% | / | 0.05% | 0,85% |
| TCW Income Fund | USD | CHF | ACHC | TBD | 1.08% | 0.20% | / | 0.05% | 1.33% |
| | | EUR | AEHE | LU1848747256 | 1.08% | 0.20% | / | 0.05% | 1.33% |
| | | USD | AU | LU1848747330 | 1.08% | 0.20% | / | 0.05% | 1.33% |
| | | CHF | ICHC | TBD | 0.54% | 0.10% | / | 0.01% | 0.65% |
| | | EUR | IEHE | LU1848747504 | 0.54% | 0.10% | / | 0.01% | 0.65% |
| | | GBP | IGHG-YD | LU1848747686 | 0.54% | 0.10% | / | 0.01% | 0.65% |
| | | USD | IU | LU1848747769 | 0.54% | 0.10% | / | 0.01% | 0.65% |
| | | USD | OU | N/A | 0.00% | 0.10% | / | 0.01% | 0.11% |
| | | CHF | RCHC | TBD | 0.54% | 0.10% | / | 0.05% | 0.69% |
| | | EUR | REHE | LU1848747926 | 0.54% | 0.10% | / | 0.05% | 0.69% |
| | | GBP | RGHG-YD | TBD | 0.54% | 0.10% | / | 0.05% | 0.69% |
| | | USD | RU | LU1848748064 | 0.54% | 0.10% | / | 0.05% | 0.69% |
| TCW Total Return Bond Fund | USD | EUR | AE | LU0905646179 | 0,90% | 0,20% | / | 0.05% | 1,15% |
| | | EUR | AEHE | LU0905646096 | 0,90% | 0,20% | / | 0.05% | 1,15% |
| | | USD | AU | LU0905645957 | 0,90% | 0,20% | / | 0.05% | 1,15% |
| | | USD | AU-MD | TBD | 1.15% | 0.20% | / | 0.05% | 1.40% |
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | USD | IU | LU0905647573 | 0,45% | 0,10% | / | 0.01% | 0,56% |
| | | USD | OU | N/A | TBD | TBD | / | 0.01% | TBD |
| MetWest High Yield Bond Fund | USD | EUR | AEHE | LU1377851537 | 1.00% | 0.20% | / | 0.05% | 1.25% |
| | | USD | AU | LU1377851610 | 1.00% | 0.20% | / | 0.05% | 1.25% |
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | EUR | IEHE | LU1377851701 | 0,50% | 0,10% | / | 0.01% | 0,61% |
| | | GBP | IGHG-QD | LU1377851883 | 0,50% | 0,10% | / | 0.01% | 0,61% |

| Name of the Sub-Fund | Sub-Fund Base Currency | Share Class NAV Currency | Share Class | Code ISIN | Management Fee | Service Fee | Maximum Distribution Fee | Subscription Tax | Maximum Total Expense Ratio |
|---|---|---|---|---|---|---|---|---|---|
| | | USD | IU | LU1377851966 | 0.50% | 0.10% | / | 0.01% | 0.61% |
| | | USD | OU | LU1377852006 | 0% | 0,10% | / | 0.01% | 0,11% |
| TCW Emerging Markets Income Fund | USD | CHF | ACHC | TBD | TBD | TBD | / | 0.05% | TBD |
| | | EUR | AE | LU0726518805 | 1.50% | 0.30% | / | 0.05% | 1.85% |
| | | EUR | AEHE | LU0726519019 | 1.50% | 0.30% | / | 0.05% | 1.85% |
| | | USD | AU | LU0726519100 | 1.50% | 0.30% | / | 0.05% | 1.85% |
| | | USD | AU-MD | LU1437591990 | 1.50% | 0.30% | / | 0.05% | 1.85% |
| | | EUR | ATFE | LU1266771200 | 0.70% | 0.20% | / | 0.05% | 0,95% |
| | | EUR | ATFHE | LU1266771382 | 0.70% | 0.20% | / | 0.05% | 0,95% |
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | EUR | IEHE | LU1055787847 | 0,70% | 0,20% | / | 0.01% | 0,91% |
| | | GBP | IGHG-QD | LU1298484483 | 0,70% | 0,20% | / | 0.01% | 0,91% |
| | | USD | IU | LU0726519282 | 0.70% | 0.20% | / | 0.01% | 0.91% |
| | | USD | OU | N/A | 0.00% | 0.15% | / | 0.01% | 0.16% |
| | | USD | RU | LU1806398027 | 0,70% | 0,20% | / | 0,05% | 0,95% |
| | | GBP | RGHG-QD | LU1806398290 | 0,70% | 0,20% | / | 0,05% | 0,95% |
| TCW Emerging Markets Local Currency Income Fund | USD | EUR | AE | LU0905645288 | 1,50% | 0,35% | / | 0.05% | 1,90% |
| | | USD | AU | LU0905645106 | 1,50% | 0,35% | / | 0.05% | 1,90% |
| | | EUR | ATFE | LU1266771465 | 0.70% | 0.25% | / | 0.05% | 1.00% |
| | | EUR | ATFHE | LU1266771549 | 0.70% | 0.25% | / | 0.05% | 1.00% |
| | | USD | AU-MD | TBD | 1.50% | 0.35% | / | 0.05% | 1.90% |
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | EUR | IE | LU1762235882 | 0,70% | 0,25% | / | 0.01% | 0.96% |
| | | EUR | IE-YD | LU1134578308 | 0,70% | 0,25% | / | 0.01% | 0,96% |
| | | GBP | IG-QD | LU1298484640 | 0,70% | 0,25% | / | 0.01% | 0,96% |
| | | USD | IU | LU0905645361 | 0,70% | 0,25% | / | 0.01% | 0,96% |
| | | USD | IU-YD | LU1134578563 | 0,70% | 0,25% | / | 0.01% | 0,96% |
| | | USD | OU | N/A | TBD | TBD | / | 0.01% | TBD |
| | | USD | RU | LU1806398613 | 0,70% | 0,25% | / | 0,05% | 1,00% |
| TCW Select Equities Fund | USD | EUR | AE | TBD | TBD | TBD | / | 0.05% | TBD |
| | | EUR | AEHE | TBD | TBD | TBD | / | 0.05% | TBD |
| | | USD | AU | TBD | TBD | TBD | / | 0.05% | TBD |
| | | EUR | ATFE | TBD | TBD | TBD | / | 0.05% | TBD |
| | | EUR | ATFHE | TBD | TBD | TBD | / | 0.05% | TBD |

| Name of the Sub-Fund | Sub-Fund Base Currency | Share Class NAV Currency | Share Class | Code ISIN | Management Fee | Service Fee | Maximum Distribution Fee | Subscription Tax | Maximum Total Expense Ratio |
|---|---|---|---|---|---|---|---|---|---|
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | EUR | IE | LU1425907943 | 0,75% | 0,10% | / | 0.01% | 0,86% |
| | | USD | IU | LU1329979691 | 0,75% | 0,10% | / | 0.01% | 0,86% |
| | | USD | OU | N/A | TBD | TBD | / | 0.01% | TBD |
| TCW Global Artificial Intelligence Equity Fund | USD | CHF | ACHC | TBD | 1.60% | 0.20% | / | 0.05% | 1.85% |
| | | EUR | AEHE | LU1848748221 | 1.60% | 0.20% | / | 0.05% | 1.85% |
| | | USD | AU | LU1848748494 | 1.60% | 0.20% | / | 0.05% | 1.85% |
| | | CHF | ICHC | TBD | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | EUR | IEHE | LU1848748577 | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | GBP | IGHG-QD | LU1848748650 | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | USD | IU | LU1848748734 | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | USD | OU | N/A | 0.00% | 0.10% | / | 0.01% | 0.11% |
| | | CHF | RCHC | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| | | EUR | REHE | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| | | GBP | RGHG-QD | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| | | USD | RU | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| TCW Global Premier ESG Equities Fund | USD | CHF | ACHC | TBD | 1.60% | 0.20% | / | 0.05% | 1.85% |
| | | EUR | AEHE | LU1848748817 | 1.60% | 0.20% | / | 0.05% | 1.85% |
| | | USD | AU | LU1848748908 | 1.60% | 0.20% | / | 0.05% | 1.85% |
| | | CHF | ICHC | TBD | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | EUR | IEHE | LU1848749039 | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | GBP | IGHG-QD | LU1848749112 | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | USD | IU | LU1848749203 | 0.80% | 0.10% | / | 0.01% | 0.91% |
| | | USD | OU | N/A | 0.00% | 0.10% | / | 0.01% | 0.11% |
| | | CHF | RCHC | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| | | EUR | REHE | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| | | GBP | RGHG-QD | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| | | USD | RU | TBD | 0.80% | 0.10% | / | 0.05% | 0.95% |
| TCW US REIT Income Fund | USD | USD | IU | LU1121457888 | 0,70% | 0,10% | / | 0.01% | 0,81% |
| TCW Multi-Income US Equities Fund | USD | EUR | AEHE | LU1271657188 | 1,65% | 0,20% | / | 0.05% | 1,90% |
| | | USD | AU-MD | LU1437591487 | 1.65% | 0.20% | / | 0.05% | 1.90% |
| | | CHF | ICHC | TBD | TBD | TBD | / | 0.01% | TBD |
| | | GBP | IGHG-QD | LU1298484210 | 0,70% | 0,10% | / | 0.01% | 0,81% |

| Name of the Sub-Fund | Sub-Fund Base Currency | Share Class NAV Currency | Share Class | Code ISIN | Management Fee | Service Fee | Maximum Distribution Fee | Subscription Tax | Maximum Total Expense Ratio |
|---|---|---|---|---|---|---|---|---|---|
| | | USD | IU | LU1203045858 | 0,70% | 0,10% | / | 0.01% | 0,81% |

# Appendix II - Special Risk Considerations and Risk Factors

Investment in an Investment Company with Variable Capital such as the Fund carries with it a degree of risk including, but not limited to, the risks referred to below. This list details those risks identified at the time of the issue of this document. Risks may arise in the future which could not have been anticipated in advance. Risk factors may apply to each Sub-Fund to varying degrees, and this exposure will also vary over time.

**The investment risks described below are not purported to be exhaustive and potential investors should review this Prospectus in its entirety, and consult with their professional advisors, before making an application for Shares in any Sub-Fund.** Changes in rates of currency exchange between the value of the currency of an investor's domicile and of the currency of the Shares may cause the value of Shares to go up or down in terms of the currency of an investor's domicile. In addition, the levels and bases of, and tax relief, from taxation to which both the Fund and Investors may be subject, may change.

**The Net Asset Value of any Sub-Fund may go up or down and Investors may not get back the amount invested or any return on their investment. Investors who are subject to an initial sales commission payable at the time of the subscription as described under the chapter entitled *Investing in the Fund*, should view their investment as medium to long-term given the difference between the subscription price and the redemption price for their Shares.**

If you are in any doubt about the suitability of an investment in a Sub-Fund, or if you are not confident you understand the risks involved, please contact your financial or other professional advisor for further information.

| Risk Factor Name | Risk Factor Description |
|---|---|
| **Market Risk** | The investments of the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation. |
| **Equity Risk** | Sub-Funds investing in common stocks and other equity securities are subject to market risk that historically has resulted in greater price volatility than experienced by bonds and other fixed income securities and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions |
| **Interest Rate Risk** | A Sub-Fund that invests in bonds and other fixed income securities may decline in value if interest rates change. In general, the prices of debt securities rise when interest rates fall, and fall when interest rates rise. Longer term bonds are usually more dependent on interest rate changes. |
| **Extension Risk** | Rising interest rates may cause owners of the underlying loans/mortgages to pay off their loans/mortgages at a slower than expected rate. This particular risk which is a certain type of interest rate risk may effectively change a security which was considered short or intermediate term into a long-term security. Long-term securities generally drop in value more dramatically in response to rising interest rates than short or intermediate-term securities. |
| **Prepayment Risk** | Falling interest rates may cause owners of the underlying mortgages to pay off their mortgages at a faster than expected rate. This particular risk which is a certain type of interest rate risk may effectively tend to reduce returns since pre-payments of the Sub-Funds will have to be reinvested at the lower prevailing rates. |
| **Credit Risk** | The value of a Sub-Fund may be adversely affected if any of the institutions which cash is invested in or deposited with suffers insolvency or other financial difficulties. |

| Risk Factor Name | Risk Factor Description |
|---|---|
| | A Sub-Fund that invests in bonds and other fixed income securities could lose money if an issuer is unable to meet its financial obligations, such as the payment of principal and/or interest on an instrument, or becomes insolvent. The risk may be more substantial during periods of economic uncertainty or during economic downturns.<br><br>Furthermore, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Sub-Fund. A change in the quality rating of a bond or other security can also affect the security's liquidity and make it more difficult to sell.<br><br>A Sub-Fund that invests in lower quality debt securities is more susceptible to these problems and its value may be more volatile. |
| **Growth Securities** | Sub-Funds investing in a "growth" style are subject to the risk that growth securities are dependent on market movements because their market prices tend to reflect future expectations. When it appears that those expectations will not be reached, the prices of growth securities typically fall. An investment in growth securities may under-perform certain other stock investments during periods when growth stocks are out of favour. |
| **Smaller Companies** | A Sub-Fund that invests in securities of smaller capitalisation companies may have more risks than those of larger, more seasoned companies. Small cap companies may be less liquid and particularly susceptible to market downturns because of limited financial or management resources. Also, there may be less publicly available information about small cap companies. As a result, their prices may be volatile. |
| **Sector-Specific Risks** | Sub-Funds invested in specific sectors are limited to a comparatively narrow segment of the economy, the Sub-Funds' investments are not as diversified as most funds, and far less diversified than the broad securities markets. As a result, these Sub-Funds tend to be more volatile than other funds, and the values of their portfolio investments tend to go up and down more rapidly. Furthermore, the value of investment in the Sub-Funds may rise or fall rapidly. A Sub-Fund investing in a specific sector may be subject to the risks associated with that particular sector. While such strategy provides a focused investment and aims to achieve for higher returns, it also limits risk diversification. Further, a Sub-Fund that invests in a specialised market sector of a single country carries even a higher concentration risk. The performance of each Sub-Fund may differ in direction and degree from that of the overall stock market. Particular investment considerations for each Sub-Fund are set out below. |
| **Lower Quality Securities** | Credit risk is greater for a Sub-Fund that invests in bonds or other fixed income securities that are rated below investment grade or which are of comparable quality. The risk of default may be greater and the market for these securities may be less active, making it more difficult to sell the securities at reasonable prices, and also making valuation of the securities more difficult. A Sub-Fund may incur additional expenses if an issuer defaults and the Sub-Fund tries to recover some of its losses in bankruptcy or other similar proceedings. |
| **Foreign Securities** | A Sub-Fund's investment activities relating to foreign securities may involve numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental law or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or other regulatory practices and requirements comparable to those applicable to companies in the investor's domicile. In addition, securities issued by companies or governments in some countries may be illiquid and have higher price volatility and, with respect to certain countries, there is a possibility of expropriation, nationalisation, exchange control restrictions, confiscator taxation |

| Risk Factor Name | Risk Factor Description |
|---|---|
| | and limitations on the use or removal of funds or other assets of a Sub-Fund, including withholding of dividends. Certain securities held by a Sub-Fund may be subject to government taxes that could reduce the yield on such securities, and fluctuation in foreign currency exchange rates may affect the price of a Sub-Fund's securities and the appreciation or depreciation of investments. Certain types of investments may result in currency conversion expenses and higher custodial expenses.<br><br>The ability of a Sub-Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, large portions of a Sub-Fund's assets may be invested in those countries where such limitations do not exist. In addition, policies established by the governments of certain countries may adversely affect a Sub-Fund's investments and the ability of a Sub-Fund to achieve its investment objective. |
| **Investment in Emerging Markets** | Because of the special risks associated with investing in emerging or developing markets, Sub-Funds which invest in such securities should be considered speculative. Investors in such Sub-Funds are strongly advised to consider carefully the special risks involved in developing markets, which are greater than the usual risks of investing in foreign securities. Economies in developing markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.<br><br>Brokerage commissions, custodial services and other costs relating to investment in emerging markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may require a Sub-Fund to accept greater custodial risks in order to invest, although the Depositary Bank will endeavour to minimise such risks through the appointment of correspondents that are international, reputable and creditworthy financial institutions. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of a Sub-Fund to make intended securities purchases due to settlement problems could cause the Sub-Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result either in losses to a Sub-Fund due to subsequent declines in value of the portfolio security or, if a Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.<br><br>The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for a Sub-Fund's portfolio of securities in such markets may not be readily available. |
| **Currency Risk** | Because the assets and liabilities of a Sub-Fund may be denominated in, or through currency overlays exposed to, currencies different from the base currency, the Sub-Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such base currency and other currencies. Changes in currency exchange rates may influence the value of a Sub-Fund's Shares, and also may affect the value of dividends and interests earned by a Sub-Fund and gains and losses realised by a Sub-Fund. The exchange rates between the base currency and other currencies are determined by supply and demand in the currency exchange markets, the international balances of payments, governmental intervention, speculation and other economic and political conditions. If the currency |

| Risk Factor Name | Risk Factor Description |
|---|---|
| | in which a security is denominated appreciates against the base currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security. The risk of such declines is more pronounced with currencies of developing countries.<br><br>To the extent that a Sub-Fund seeks to use any techniques or instruments to hedge or to protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved. Unless otherwise stated in any Sub-Fund's investment policy, there is no requirement that any Sub-Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction. |
| **Class Hedging Risk** | The Fund may engage in currency hedging transactions with regards to certain Classes of Shares (the "**Hedged Share Class**"). Hedged Share Classes are designed (i) to reduce exchange rate fluctuations between the NAV currency of the Hedged Share Class and the base currency of the Sub-Fund or (ii) to reduce exchange rate fluctuations between the currency of the Hedged Share Class and other material currencies within the Sub-Fund's portfolio.<br><br>The hedging will be undertaken to reduce exchange rate fluctuations in case the base currency of the Sub-Fund or other material currencies within the Sub-Fund (the "**reference currency(ies)**") is(are) declining or increasing in value relative to the hedged currency. The hedging strategy employed will seek to reduce as far as possible the exposure of the Hedged Share Classes and no assurance can be given that the hedging objective will be achieved. In the case of a net flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the Hedged Share Class until the following or a subsequent business day following the Valuation Day on which the instruction was accepted.<br><br>This risk for holders of any Hedged Share Class may be mitigated by using any of the Efficient Portfolio Management techniques and instruments (including currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), within the conditions and limits imposed by the Luxembourg financial supervisory authority. Investors should be aware that the hedging strategy may substantially limit Investors of the relevant Hedged Share Class from benefiting from any potential increase in value of the Share Class expressed in the reference currency(ies), if the Hedged Share Class currency falls against the reference currency(ies). Additionally, Investors of the Hedged Share Class may be exposed to fluctuations in the net asset value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. The gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class.<br><br>Any financial instruments used to implement such hedging strategies with respect to one or more Classes of a Sub-Fund shall be assets and/or liabilities of such Sub-Fund as a whole, but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. However, due to the lack of segregated liabilities between Classes of the same Sub-Fund, costs which are principally attributed to a specific Class may be ultimately charged to the Sub-Fund as a whole.<br><br>Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Sub-Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. No intentional leveraging should result from currency hedging transactions of a Class although hedging may exceed 100% for short periods between redemption instructions and execution of the hedge trade. More details as to the rules governing allocation of assets and liabilities at a class level can be found under the section entitled *Net Asset Value*. |

| Risk Factor Name | Risk Factor Description |
|---|---|
| **Derivatives Instruments** | A Sub-Fund's use of derivatives such as futures, options, warrants, forwards, swaps and swaptions involves increased risks. A Sub-Fund's ability to use such instruments successfully depends on its Investment Manager's or Investment Sub-Manager's ability to accurately anticipate movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's or Investment Sub-Manager's anticipations are wrong, or if the derivatives do not work as anticipated, the Sub-Fund could suffer greater losses than if the Sub-Fund had not used the derivatives.<br><br>If a derivative instrument transaction is particularly large or if the relevant market is illiquid it may not be possible to initiate a transaction or liquidate a position at an advantageous price.<br><br>Risks inherent in the use of such derivative instruments also include the imperfect correlation between the price of options and futures contracts and options on these contracts and movements in the prices of the securities, money market instruments or currencies being hedged; the possibility of a non-liquid secondary market for a particular instrument at a given time; and the risk that a Sub-Fund may not be able to purchase or sell a portfolio security during a favourable period or the risk that a Sub-Fund may have to sell a portfolio security during an unfavourable period.<br><br>When a Sub-Fund enters into a derivative instrument transaction, it is exposed to counterparty risk.<br><br>In some instances, the use of the above mentioned instruments may have the effect of leveraging the Sub-Fund. Leveraging adds increased risks because losses may be out of proportion to the amount invested on the instrument. These instruments are highly volatile instruments and their market values may be subject to wide fluctuations. |
| **Liquidity Risk** | A Sub-Fund may lose money or be prevented from earning capital gains if or when particular securities are difficult to purchase or sell, possibly preventing a Sub-Fund from selling such securities at an advantageous time or price that would have been most beneficial to the Sub-Fund, or possibly requiring the Sub-Fund to dispose of other investments at unfavourable times and prices in order to satisfy its obligations. A Sub-Fund with an investment policy that involves securities of smaller companies, investments in real estate, foreign securities, investments in emerging markets, non-publicly traded securities, private placements, restricted securities (including Rule 144A securities), investments in ABS and MBS, derivative instruments or securities with substantial sector-specific risks, market risks and/or credit risk tend to have a greater exposure to liquidity risk. |
| **Counterparty Risk** | A Sub-Fund that invests in OTC contracts may find itself exposed to risk arising from the solvency of its counterparts and from their ability to respect the conditions of these contracts. The Sub-Fund may thus enter into futures, options and swap contracts including CDS or use derivative techniques, each of which involves the risk that the counterpart will fail to respect its commitments under the terms of each contract. |
| **Risk of Issuer** | In parallel to the general trends prevailing on the financial markets, developments particular to each issuer can affect the value of an investment. Even a careful selection of Transferable Securities cannot, for example, eliminate the risk of losses caused by a decline in the value of the assets of an issuer. |
| **Risk of Inflexibility** | Lack of flexibility of investment products and restrictions may limit the ability to change the counterparty or provider of a derivative contract. Difficulties may in particular exist in finding other counterparties offering OTC derivatives with similar terms. |

| Risk Factor Name | Risk Factor Description |
|---|---|
| **Leverage Risk** | Risks inherent in the use of foreign currency contracts, swaps, futures contracts and options on these contracts include: the higher the leverage, the greater the variation in the price of the derivative in the event of a fluctuation in the price of the underlying asset (in comparison with the subscription price determined according to the conditions of the derivative). The risk of derivatives thus increases in parallel with an increase in the leverage effect. |
| **Investment in ABS and MBS** | The primary risks affecting Sub-Funds investing in MBS and ABS are "Credit Risk," "Interest Rate Risk" (including "Extension Risk" and "Prepayment Risk"), and "Liquidity Risk."<br><br>A Sub-Fund which invests in ABS and MBS may for instance invest a portion of its assets in MBS which are not guaranteed by the U.S. Government, which may make the Sub-Fund subject to substantial credit risk.<br><br>Changes in interest rates may have a significant effect on a Sub-Fund which invests in ABS and MBS, because it may hold securities with long terms to maturity and MBS, including collateralised mortgage obligations, and stripped mortgage securities. Its holdings of MBS can reduce returns if the owners of the underlying mortgages pay off their mortgages sooner than anticipated when interest rates go down. Because this Sub-Fund invests in MBS, it may be subject to extension risk and prepayment risk, which are both a type of interest rate risk. Like MBS, ABS can decrease in value as a result of interest rate increases. As in the case of MBS, the prepayments of the loans in a pool underlying ABS generally increase during a period of declining interest rates.<br><br>Because MBS and ABS may be less liquid than other securities, the Sub-Funds may be more susceptible to liquidity risks than funds that invest in other securities.<br><br>Investments in ABS and MBS can involve insolvency risk (enforcing rights against the underlying assets or collateral may be difficult). |
| **Investment in REITs** | Investments in REITs and real estate securities may be subject to certain of the same risks associated with the direct ownership of real estate. These risks include: declines in the value of real estate generally; changes in neighborhood or property appeal; environmental clean-up costs; condemnation or casualty losses; risks related to general and local economic conditions; legislative or regulatory changes; over-building and competition; increases in property taxes and operating expenses; lack of availability of mortgage funds; high or extended vacancy rates; and rent controls or variations in rental income. The general performance of the real estate industry has historically been cyclical and particularly sensitive to economic downturns. Rising interest rates may cause REIT investors to demand a higher annual return, which may cause a decline in the prices of REIT equity securities. Rising interest rates also generally increase the costs of obtaining financing, which could cause the value of a Fund's investments to decline. During periods of declining interest rates, certain mortgage REITs may hold mortgages that the mortgagors may elect to prepay, and such prepayment may diminish the yield on securities issued by those REITs. In addition, mortgage REITs may be affected by the borrowers' ability to repay their debt to the REIT when due. Equity REIT securities may be affected by changes in the value of the underlying property owned by the REIT and the ability of tenants to pay rent. In addition, REITs may not be diversified, can be dependent on heavy cash flow and are subject to self-liquidation. REITs are subject to the possibility of failing to qualify for tax-free pass-through of income and failing to maintain exemption under the United States Investment Company Act of 1940, as amended. Also, equity REITs may be dependent upon management skill and may be subject to the risks of obtaining adequate financing for projects on favorable terms. REITs may have limited financial resources, may trade less frequently and in a limited volume, and may be |

| Risk Factor Name | Risk Factor Description |
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| | subject to more abrupt or erratic price movements than more widely held securities. To the extent that certain REITs invest in MBS, investment in REITs would be subject to those risks discussed above under "Investments in ABS and MBS". |
| **Investment in TBA Securities** | A Sub-Fund that invests in MBS may purchase "TBA" securities. TBA securities are considered to be as Transferable Securities (quoted on an official stock exchange or traded on a Regulated Market) within the limits specified under the section entitled *Investment Restrictions*.<br><br>This refers to the common trading practice in the MBS market in which a Ginnie Mae, Fannie Mae or Freddie Mac passthrough securities are to be bought for a fixed price at a future date. At the time of purchase the exact security is not known, but the main characteristics of it are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. Purchasing a TBA involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Risks may also arise upon entering into these transactions from the potential inability of counterparties to meet the terms of the transactions.<br><br>In the period between trade and settlement date, a Sub-Fund will maintain an amount of cash or near cash assets, or floating rate securities equal to the amount of TBA purchase commitments.<br><br>Although a Sub-Fund will generally enter into TBA purchase commitments with the intention of acquiring securities, a Sub-Fund may also dispose of a commitment prior to settlement if it is deemed appropriate to do so. Proceeds of TBA sales are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities, or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date), are held as cover for the transaction.<br><br>If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, a Sub-Fund realises a gain or loss on the commitment. If a Sub-Fund delivers securities under the sale commitment, a Sub-Fund realises a gain or loss from the sale of the securities upon the unit price established at the date the commitment was entered into. |
| **Investment in Structured Notes** | The primary risks affecting the Sub-Funds investing in Structured Notes are "Credit Risk", "Interest Rate Risk" and "Liquidity Risk."<br><br><u>Credit Risk</u> refers to the likelihood that the Sub-Fund could lose money if an issuer is unable to meet its financial obligations, such as the payment of principal and/or interest on an instrument, or goes bankrupt. The Sub-Fund may invest a portion of its assets in Structured Notes which are not guaranteed by any Government of the OECD, which may make the Sub-Fund subject to substantial credit risk. This is especially true during periods of economic uncertainty or during economic downturns.<br><br>Credit risk is much more present than in other fixed income products as these Structured Notes are linked to the credit risk of a portfolio of underlying issuers.<br><br><u>Interest Rate Risk</u> refers to the possibility that the value of the Sub-Fund's portfolio investments may fall since fixed income securities generally fall in value when interest rate rise. The longer the term of a fixed income instrument, the more sensitive it will be to fluctuations in value from interest rate changes. Changes in interest rates may |

| Risk Factor Name | Risk Factor Description |
|---|---|
| | have a significant effect on this Sub-Fund, because it may hold securities with long terms to maturity and structured notes.<br><br>Liquidity Risk refers to the possibility that the Sub-Fund may lose money or be prevented from earning capital gains if it cannot sell a security at the time and price that is most beneficial to the Sub-Fund and may be unable to raise cash to meet redemption requests. Because structured securities may be less liquid than other securities, the Sub-Fund may be more susceptible to liquidity risks than funds that invest in other securities. |
| **Management Risks** | Structured Notes are usually managed by other asset managers. Therefore the performance of these products is highly reliant on the ability of the asset manager to achieve its own objective of performance and to maintain appropriate staff (i.e. managers specialised in credit, credit analysts) and systems. |
| **Cross-Liability Risk** | For the purpose of the relations between the Investors of different Sub-Funds, each Sub-Fund will be deemed to be a separate entity with, but not limited to, its own contributions, capital gains, losses, charges and expenses. Thus, liabilities of an individual Sub-Fund which remain undischarged will not attach to the Fund as a whole. However, while Luxembourg law states that, unless otherwise provided for in the fund documentation, there is no cross-liability, there can be no assurance that such provisions of Luxembourg law will be recognised and effective in other jurisdictions. There is no segregation of liabilities between Classes of the same Sub-Fund. |
| **Business Dependent upon Key Individuals** | The success of the Fund is significantly dependent upon the expertise of key people within the Investment Manager or the Investment Sub-Manager and any future unavailability of their services could have an adverse impact on the Fund's performance. |
| **Non-U.S. Securities Risk** | Non-U.S. securities, including ADRs, EDRs, GDRs, similar depositary receipts and equities denominated in U.S. Dollars issued by non-U.S. issuers are subject to more risks than U.S. domestic investments. These additional risks include potentially less liquidity and greater price volatility, as well as risks related to adverse political, regulatory, market or economic developments. Foreign companies also may be subject to significantly higher levels of taxation than U.S. companies, including potentially confiscatory levels of taxation, thereby reducing their earnings potential. In addition, amounts realised on foreign securities may be subject to high and potentially confiscatory levels of foreign taxation and withholding. Investments in non-U.S. securities also involves exposure to fluctuations in foreign currency exchange rates; withholding and other taxes; trade settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. In addition, foreign markets can and often do perform differently from U.S. markets. |
| **Operational Risk** | A failure or delay in the systems, processes and controls of the Sub-Fund or its service providers (including all safekeeping of assets) could lead to losses for the Sub-Fund. |
| **High Yield Risk** | The risk that these bonds have a higher degree of default risk and may be less liquid and subject to greater price volatility than investment grade bonds. |
| **Price Volatility Risk** | The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down. |

| Risk Factor Name | Risk Factor Description |
|---|---|
| **Securities Selection Risk** | The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities. |
| **Portfolio Management Risk** | The risk that an investment strategy may fail to produce the intended results. |
| **Investment Style Risk** | The risk that the particular style or set of styles that the Investment Manager primarily uses may be out of favor or may not produce the best results over the short or longer time period and may increase the volatility of the Fund's share price. |
| **Market Timing Risk** | Depending on various factors, including the size of the Sub-Fund and its various currency classes, the amount of assets the Investment Manager typically maintains in cash or cash equivalents and number and frequency of trades, short-term or excessive trading may interfere with the efficient management of the Sub-Fund's portfolio, increase the Sub-Fund's transaction costs, administrative costs and taxes and/or impact Sub-Fund performance. In addition, if the nature of the Sub-Fund's portfolio holdings expose the Sub-Fund to investors who engage in the type of market timing trading that seeks to take advantage of possible delays between the change in the value of a Sub-Fund's portfolio holdings and the reflection of the change in the net asset value of the Sub-Fund's Shares, sometimes referred to as "arbitrage market timing", there is the possibility that such trading, under certain circumstances, may dilute the value of Sub-Fund Shares. Arbitrage market timers may seek to exploit possible delays between the change in the value of a Sub-Fund's portfolio holdings and the net asset value of the Sub-Fund's Shares in Sub-Funds that hold significant investments in non-US securities because certain non-US markets close several hours ahead of the US markets, and in Sub-Funds that hold significant investments in instruments which may not be frequently traded. |
| **Sovereign Debt Risk** | The risk that a sovereign debtor's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the foreign debtor's policy towards the International Monetary Fund and the political constraints to which a sovereign debtor may be subject. Sovereign debtors may default on their sovereign debt. Sovereign debtors may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearages on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a sovereign debtor's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the sovereign debtor, which may further impair such debtor's ability or willingness to service its debts. The ability or willingness of the governments of emerging market countries to make timely payments on their sovereign debt is likely to be influenced strongly by a country's balance of trade and its access to trade and other international credits. There can be no assurance that adverse political changes will not cause a Sub-Fund to suffer a loss of interest or principal on any of its holdings.<br><br>As a result of all of the foregoing, a government obligor may default on its obligations. If such an event occurs, a Sub-Fund may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. Bankruptcy, moratorium and other similar laws applicable to issuers of |

| Risk Factor Name | Risk Factor Description |
| --- | --- |
| | sovereign debt obligations may be substantially different from those applicable to issuers of private debt obligations. In addition, no assurance can be given that the holders of commercial bank debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements. |

| Risk Factor Name | Risk Factor Description |
|---|---|
| **Other Investment Company Risk** | A Sub-Fund may acquire shares in other investment companies, including U.S. or foreign investment companies, ETFs, REITs, and BDCs, to the extent permitted by applicable laws. An investment in the shares of another fund is subject to the risks associated with that fund's portfolio securities. The market value of the shares of certain other investment companies may differ from the net asset value of the particular fund. As a shareholder in an investment company, a Sub-Fund would bear its ratable share of that entity's expenses, including any investment advisory and administration fees. At the same time, the Sub-Fund would continue to pay its own investment advisory fees and other expenses. As a result, the Sub-Fund and its shareholders, in effect, will be absorbing duplicate levels of fees with respect to investments in other investment companies. Other investment companies will have their own investment policies and procedures which may vary from a Sub-Fund's. A Sub-Fund may rely on the net asset value of any such other investment company at the time such net asset value becomes available. |
| **Master Limited Partnership (MLP) Risk** | Investments in securities of a MLP involve risks that differ from investments in common stock, including risks related to limited control and limited rights to vote on matters affecting the MLP, risks related to potential conflicts of interest between the MLP's limited partner and the MLP's general partner, cash flow risks, dilution risks and risks related to the general partner's right to require unit-holders to sell their common units at an undesirable time or price. Certain MLP securities may trade in lower volumes due to their smaller capitalisations. Accordingly, those MLPs may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity to enable the Fund to effect sales at an advantageous time or without a substantial drop in price. Investment in those MLPs may restrict the Fund's ability to take advantage of other investment opportunities. MLPs are generally considered interest-rate sensitive investments. During periods of interest rate volatility, these investments may not provide attractive returns. |

| Risk Factor Name | Risk Factor Description |
|---|---|
| **Renminbi Share Class risks** | The Fund offers Share Classes designated in CNH, which represented the exchange rate of Chinese Renminbi, the lawful currency of the People's Republic of China, as traded in Hong Kong and offshore markets outside the People's Republic of China. It should be noted that there may be additional risks involved in investing through CNH over and above those of investing through other currencies. Currency exchange rates can be affected unpredictably by intervention (or failure to intervene) by governments or central banks or by currency controls or political developments, particularly in the People's Republic of China. There is also a greater measure of legal uncertainty concerning currency transactions with respect to trades in CNH compared to currencies which have a more established history of being traded internationally.<br><br>CNH convertibility to the onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government in co-ordination with the Hong Kong Monetary Authority (HKMA). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions pursued by the Chinese government from time to time as well as other external market forces. In addition, currency markets in CNH may have lower trading volumes than the currencies of more developed countries and accordingly markets in CNH may be materially less liquid, subject to greater dealing spreads and experience materially greater volatility than those of other currencies. In particular, the trading of CNH during European and US market hours when trades for the hedged share class will be executed entails inherently lower liquidity and greater transaction costs. This may cause performance divergence against the expected performance of trading CNH during Asian market hours, where liquidity is generally higher and transaction costs are generally lower.<br><br>In extreme circumstances, a lack of liquidity in the CNH market could make it impossible to execute currency spot transactions or currency hedge transactions. CNH-denominated classes will seek to implement the relevant transactions and minimize transaction costs on a best efforts basis. However, there can be no guarantee that it will be successful in doing so and cannot eliminate the above risks or transaction costs. The costs and gains/losses of such transactions will accrue solely to the relevant Share Class and will be reflected in the Net Asset Value per Share of that Class. |
| **US Foreign Account Tax Compliance Requirements ("FATCA")** | FATCA rules being particularly complex and as the rules governing their implementation for Luxembourg funds are still uncertain, the Fund cannot at this time accurately assess the extent of the requirements that FATCA provisions will place upon it.<br><br>Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all shareholders may be materially affected.<br><br>The Fund and/or its shareholders may also be indirectly affected by the fact that a non U.S. financial entity does not comply with FATCA regulations even if the Fund satisfies with its own FATCA obligations. |

# Appendix III – Investment Managers and Investment Sub-Managers

**Investment Managers and Sub-Funds**

TCW Investment Management Company LLC:

MetWest Total Return Bond Fund

MetWest Unconstrained Bond Fund

TCW Income Fund

TCW Total Return Bond Fund

MetWest High Yield Bond Fund

TCW Emerging Markets Income Fund

TCW Emerging Markets Local Currency Income Fund

TCW Select Equities Fund

TCW Global Artificial Intelligence Equity Fund

TCW Global Premier ESG Equities Fund

TCW US REIT Income Fund

TCW Multi-Income US Equities Fund

**Investment Sub-Managers and Sub-Funds**

Amundi Japan Limited:

MetWest High Yield Bond Fund*

TCW US REIT Income Fund**

TCW Multi-Income US Equities Fund***

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*Amundi Japan Limited has been delegated the management of the currency exposure of the XJ and XJC Share Classes.

**Amundi Japan Limited has been delegated the management of the currency exposure of the XJ Share Class.

***Amundi Japan Limited has been delegated the management of the currency exposure of the XJ Share Class.

# Appendix IV – Standard Deadlines

Unless otherwise provided for in Part II of the Prospectus for a particular Sub-Fund, or any agreement or marketing material approved in respect of a Sub-Fund, requests for subscription, redemption and conversion of Shares received by the Fund's Transfer Agent before the appropriate dealing deadline will be dealt on that day on the basis of the Net Asset Value per Share of the relevant Class calculated on that day.

As from September 12, 2014:

| **Sub-Fund Subscription Deadline** | **Sub-Fund Redemption Deadline** | **Sub-Fund Conversion Deadline** |
|---|---|---|
| D at 10 p.m. Luxembourg Time | D at 10 p.m. Luxembourg Time | D at 10 p.m. Luxembourg Time |

# PART 2
# Sub-Funds Particulars

# Annex 1- Fixed Income Sub-Funds

This Annex will be updated to account for any change in an existing Fixed Income Sub-Fund or when a new Fixed Income Sub-Fund is created.

# 1. TCW FUNDS – METWEST TOTAL RETURN BOND FUND

| TCW Funds – MetWest Total Return Bond Fund |
|---|

## A. INVESTMENT OBJECTIVE

The Sub-Fund seeks to maximise long-term total return by investing mainly in investment grade fixed income securities and/or unrated securities that are determined by the Investment Manager to be of similar quality.

Benchmark: Barclays U.S. Aggregate Bond Index

## B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) directly at least 80% of its net assets in investment grade fixed income securities or unrated fixed income securities that are determined by the Investment Manager to be of similar quality, and in derivative instruments that provide investment exposure to such securities. Up to 20% of the Sub-Fund's net assets may be invested in securities rated below investment grade.

The Sub-Fund also invests at least 80% of its net assets for investment purposes in fixed income securities. Under normal conditions, the portfolio targets duration of two to eight years and a dollar-weighted average maturity range from two to fifteen years. The Sub-Fund is adjusted on a monthly basis as needed to meet these targets. The Sub-Fund invests in the U.S. and abroad, including Emerging Market Countries, and may purchase securities (including Rule 144A securities) of varying maturities issued by domestic and foreign corporations and governments (please refer to the Glossary of Terms for a definition of Emerging Market Countries). The Investment Manager will focus the Sub-Fund's portfolio holdings in areas of the bond market (based on quality, sector, coupon or maturity) that the Investment Manager believes to be relatively undervalued.

Investments include various types of bonds and other securities, typically corporate bonds, notes, collateralised bond obligations, collateralised debt obligations, mortgage-related and asset-backed securities, bank loans (subject to the 10% limitation defined by Article 41 (2) a) of the 2010 Law), money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities. These investments may have interest rates that are fixed, variable or floating.

The types of mortgage-related and asset-backed securities that the Sub-Fund may invest in include mortgage-backed securities (MBS), commercial mortgage-backed securities (CMBS), and asset-backed securities (ABS). The Sub-Fund may invest both in MBS secured by residential mortgage loans which are issued or guaranteed by, or secured by collateral which is guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. Ginnie Mae, Freddie Mac, and Fannie Mae), and those which are not issued or guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. privately issued or non-Agencies). CMBS are backed by one or more commercial or multifamily mortgage loans. ABS are backed by various types of assets such as automobile and credit card receivables, student loans or other types of receivables. The Sub-Fund may invest in privately issued MBS rated below investment grade (which are rated below Baa3 by Moody's or BBB- by S&P). The Sub-Fund may invest in securities that are commonly known as mortgage derivatives, including inverse floaters and interest only (IO), principal-only (PO), inverse IOs, tiered index bonds and TBAs (to-be-announced).

The remaining part of the Sub-Fund's assets may be invested in:
- bonds and money market instruments other than those mentioned above;
- convertible bonds;
- equities and Equity-linked Instruments;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets;
- Deposits; and
- MBS and ABS for a maximum of 100% of its net assets

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including, but not limited to, interest rate derivatives, credit derivatives such as swaps, futures, options and credit default swaps for hedging purposes, for risk management, Efficient Portfolio Management or to increase income or gains for the Sub-Fund. The Sub-Fund may also seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 – Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Interest Rate Risk**. The risk that debt securities will decline in value because of changes in interest rates.

**Credit Risk**. The risk that an issuer will default in the payment of principal and/or interest on a security.

**Non-U.S. Securities Risk**. The value of the Sub-Fund's investments in non-U.S. securities also depends on changing currency values, different political and economic environments and other overall economic conditions in the countries where the Sub-Fund invests. Emerging market debt securities tend to be of lower credit quality and subject to greater risk of default than higher rated securities from more developed markets.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

**Prepayment Risk of Asset-Backed and Mortgage-Backed Securities**. The risk that in times of declining interest rates, the Sub-Fund's higher yielding securities will be prepaid and the Sub-Fund will have to replace them with securities having a lower yield.

**Extension Risk of Asset-Backed and Mortgage-Backed Securities**. The risk that in times of rising interest rates prepayments will slow causing securities considered short or intermediate term to be long-term securities which fluctuate more widely in response to changes in interest rates than shorter term securities.

**Asset-Backed Securities Investment Risk**. The risk that the impairment of the value of the collateral underlying the security such as non-payment of loans, will result in a reduction in the value of the security.

**Derivatives and Swaps Risks**. The risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index and the Fund could lose more than the principal amount invested. Swaps also involve the risks that the counterparty may default and the potential risk of liquidity.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking a high level of income and capital preservation, and to a lesser extent capital growth and/or investors who want to invest in fixed income securities of any global government or corporate issuers. Furthermore, the Sub-Fund should be owned over a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.
Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime:

their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **ACHC** | **CHF Hedged in CHF** | Yes | TBD | 1 Share | Capitalisation |
| **AE** | **EUR** Unhedged | Yes | LU0905645791 | 1 Share | Capitalisation |
| **AEHE** | **EUR** Hedged in EUR | Yes | LU0905645528 | 1 Share | Capitalisation |
| **AU** | **USD** Unhedged | Yes | LU0905645445 | 1 Share | Capitalisation |
| **ATFE** | **EUR** Unhedged | Yes | LU1266771622 | 1 Share | Capitalisation |
| **ATFHE** | **EUR** Hedged in EUR | Yes | LU1266771895 | 1 Share | Capitalisation |
| **ICHC** | **CHF Hedged in CHF** | Yes | TBD | Equivalent to USD 1 million* | Capitalisation |
| **IEHE** | **EUR** Hedged in EUR | Yes | LU1145152564 | Equivalent to USD 1 million* | Capitalisation |
| **IGHG-QD** | **GBP** Hedged in GBP | Yes | LU1298484053 | Equivalent to USD 1 million | Quarterly distribution |
| **IU** | **USD** Unhedged | Yes | LU0905645874 | USD 1 million | Capitalisation |
| **IU-YD** | **USD Unhedged** | Yes | TBD | USD 1 million | Yearly distribution |
| **REHE** | **EUR** Hedged in EUR | Yes | LU1440688742 | Equivalent to USD 1 million | Capitalisation |
| **RGHG** | **GBP** Hedged in GBP | Yes | TBD | Equivalent to USD 1 million | Capitalisation |
| **RGHG-QD** | **GBP** Hedged in GBP | Yes | LU1440688668 | Equivalent to USD 1 million | Quarterly distribution |
| **RU** | **USD** Unhedged | Yes | LU1440688825 | Equivalent to USD 1 million | Capitalisation |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1,000 | Capitalisation |

TCW

## 2. TCW FUNDS - METWEST UNCONSTRAINED BOND FUND

| TCW Funds – MetWest Unconstrained Bond Fund |
|---|

### A. INVESTMENT OBJECTIVE

The Sub-Fund seeks to provide investors with positive long-term returns irrespective of general securities market conditions.

Benchmark: BofA Merrill Lynch U.S. LIBOR 3-month Average Index

### B. INVESTMENT POLICY

The Sub-Fund intends to pursue its objective by utilizing a flexible investment approach that allocates investments across a range of global investment opportunities related to credit, currencies and interest rates. Satisfying the Sub-Fund's objective would require it to achieve positive total returns over a full market cycle. Total return includes income and capital gains.

The use of the term "unconstrained" in the Sub-Fund's name means that it is not limited by the types of investments in a particular securities index. The Sub-Fund is not managed to be compared to any such index. The Sub-Fund also is unconstrained in the sense that it is not limited to any single type of investment strategy.

The Investment Manager expects to actively evaluate each investment idea based on its potential return, its risk level and how it fits within the Sub-Fund's overall portfolio in determining whether to buy or sell investments. The Investment Manager will also actively manage the Fund's risks on an on-going basis to mitigate the risks of excessive losses by the portfolio overall.

The Sub-Fund invests (except when maintaining a temporary defensive position) directly at least 80% of its net assets in securities and instruments qualifying as bonds in the U.S. and abroad, including Emerging Market Countries, and in derivative instruments that provide investment exposure to such securities. The Sub-Fund may purchase securities of varying maturities issued by domestic and foreign corporations and governments.

The Sub-Fund may invest in both investment grade and high yield fixed income securities (commonly called "junk bonds"), subject to investing no more than 50% of its total assets (measured at the time of investment) in securities rated below investment grade by Moody's, S&P or Fitch, or, if unrated, determined by the Investment Manager to be of comparable quality.

Under normal conditions, the average portfolio duration of the fixed-income portion of the Sub-Fund's portfolio will vary from negative three (-3) years to positive eight (8) years. Duration is a measure of the sensitivity of a security to changes in interest rates. As a separate measure, there is no limit on the weighted average maturity of the Sub-Fund's portfolio.

The Sub-Fund may invest in non-US securities, and up to 50% of the Sub-Fund's total assets may be invested in Emerging Market Countries and instruments that are economically tied to Emerging Market Countries. The Sub-Fund will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 40% of its total assets. The Sub-Fund reserves the right to hedge its exposure to foreign currencies to reduce the risk of loss from fluctuations in currency exchange rates, but will be under no obligation to do so under any circumstances.

Investments include various types of bonds and other securities, typically corporate bonds, notes, collateralised bond obligations, collateralised debt obligations, mortgage-related and asset-backed securities, bank loans (subject to the 10% limitation defined by Article 41 (2) a) of the 2010 Law), money-market securities, swaps, futures, municipal securities, options, credit default swaps, private placements and restricted securities. These investments may have interest rates that are fixed, variable or floating.

The types of mortgage-related and asset-backed securities that the Sub-Fund may invest in include mortgage-backed securities (MBS), commercial mortgage-backed securities (CMBS), and asset-backed securities (ABS). The Sub-Fund may invest both in MBS secured by residential mortgage loans which are issued or guaranteed by, or secured by collateral which is guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. Ginnie Mae, Freddie Mac, and Fannie Mae), and those which are not issued or guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. privately issued or non-Agencies). CMBS are backed by one or more commercial or multifamily mortgage loans. ABS are backed by various types of assets such as automobile and credit card receivables, student loans or other types of receivables. The Sub-Fund may invest in privately issued MBS rated below investment grade (which are rated below Baa3 by Moody's or BBB- by S&P). The Sub-Fund may invest in securities that are commonly known as mortgage derivatives, including inverse floaters and interest only (IO), principal-only (PO), inverse IOs, tiered index bonds and TBAs (to-be-announced).

The remaining part of the Sub-Fund's assets may be invested in:

- bonds and money market instruments other than those mentioned above;
- convertible bonds;
- preferred stock up to 10% of the net assets;
- common stock of U.S. and non-U.S. companies up to 5% of the net assets;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets;
- Deposits; and
- MBS and ABS for a maximum of 100% of its net assets

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE, REHE-QD and XXEHE Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD, XGHG-QD and XXGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Australian Dollar for the IA-QD, IAHA-QD Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including, but not limited to, interest rate derivatives, credit derivatives such as swaps, futures, options and credit default swaps for hedging purposes, for risk management, Efficient Portfolio Management or to increase income or gains for the Sub-Fund. The Sub-Fund may also seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled Investment Techniques.

## C. RISK MANAGEMENT PROCESS

### 1 - Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 - Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Market Risk.** The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Interest Rate Risk.** The risk that debt securities will decline in value because of changes in interest rates.

**Credit Risk**. The risk that an issuer will default in the payment of principal and/or interest on a security.

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Derivatives and Swaps Risks.** The risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index and the Sub-Fund could lose more than the principal amount invested. Swaps also involve the risks that the counterparty may default and the potential risk of liquidity.

**Leveraging Risk.** The risk that leverage created from borrowing or certain types of transactions or instruments, including derivatives, may impair the Sub-Fund's liquidity, cause it to liquidate positions at an unfavorable time, increase volatility or otherwise not achieve its intended result.

**Non-U.S. Securities Risk.** The value of the Sub-Fund's investments in non-U.S. securities also depends on changing currency values, different political and economic environments and other overall economic conditions in the countries where the Sub-Fund invests. Emerging market debt securities tend to be of lower credit quality and subject to greater risk of default than higher rated securities from more developed markets. Investments by the Sub-Fund in currencies other than U.S. dollars may decline in value against the U.S. dollar if not properly hedged.

**Equity Risk.** The risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions.

**Currency Risk.** The risk that foreign currencies will decline in value relative to the U.S. dollar and affect the Sub-Fund's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

**Portfolio Management Risk.** The risk that an investment strategy may fail to produce the intended results. Also, because the Sub-Fund may use multiple investment strategies, it may use a strategy that produces a less favorable result than would have been produced by another strategy.

**Liquidity Risk.** The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all, each of which would have a negative effect on performance.

**Prepayment Risk of Asset-Backed and Mortgage-Backed Securities.** The risk that in times of declining interest rates, the Sub-Fund's higher yielding securities will be prepaid and the Sub-Fund will have to replace them with securities having a lower yield.
**Extension Risk of Asset-Backed and Mortgage-Backed Securities.** The risk that in times of rising interest rates prepayments will slow causing securities considered short or intermediate term to be long-term securities which fluctuate more widely in response to changes in interest rates than shorter term securities.

**Asset-Backed Securities Investment Risk.** The risk that the impairment of the value of the collateral underlying the security such as non-payment of loans, will result in a reduction in the value of the security.

**Counterparty Risk.** The risk that a derivative transaction depends on the creditworthiness of the counterparty and the counterparty's ability to fulfill its contractual obligations.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking to maximise total investment return through a combination of interest income and capital appreciation and are willing to accept risk to their capital. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **ACHC** | **CHF Hedged in CHF** | Yes | TBD | 1 Share | Capitalisation |
| **AEHE** | **EUR** Hedged in EUR | Yes | LU1271656883 | 1 Share | Capitalisation |

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **AU** | **USD** Unhedged | Yes | LU1437591057 | 1 Share | Capitalisation |
| **ATFE** | **EUR** Unhedged | No | LU1266772273 | 1 Share | Capitalisation |
| **ATFHE** | **EUR** Hedged in EUR | No | LU1266772356 | 1 Share | Capitalisation |
| **IA-QD** | **AUD** Unhedged | Yes | LU1539119245 | Equivalent to USD 1 million* | Quarterly distribution |
| **IAHA-QD** | **AUD** Hedged in AUD | Yes | LU1539122033 | Equivalent to USD 1 million* | Quarterly distribution |
| **ICHC** | **CHF** Hedged in CHF | Yes | LU1508492920 | Equivalent to USD 1 million | Capitalisation |
| **IEHE** | **EUR** Hedged in EUR | Yes | LU1377852261 | Equivalent to USD 1 million* | Capitalisation |
| **IE-YD** | **EUR** Unhedged | Yes | LU1134579371 | Equivalent to USD 1 million | Yearly distribution |
| **IGHG-QD** | **GBP** Hedged in GBP | Yes | LU1298483675 | Equivalent to USD 1 million | Quarterly distribution |
| **IU** | **USD** Unhedged | Yes | LU1109965431 | USD 1 million | Capitalisation |
| **IU-YD** | **USD** Unhedged | Yes | LU1134579538 | USD 1 million | Yearly distribution |
| **OU** | **USD** Unhedged | Yes | N/A | 1 Share | Capitalisation |
| **REHE** | **EUR** Hedged in EUR | Yes | LU1806397722 | Equivalent to USD 1 million | Capitalisation |
| **RGHG-QD** | **GBP** Hedged in GBP | Yes | LU1440689047 | Equivalent to USD 1 million | Quarterly distribution |
| **RU** | **USD** Unhedged | Yes | LU1806397995 | Equivalent to USD 1 million | Capitalisation |
| **RU-QD** | **USD** Unhedged | Yes | LU1440689120 | Equivalent to USD 1 million | Quarterly distribution |
| **XEHE-QG** | **EUR** Hedged in EUR | Yes | LU1881561267 | EUR 1,000 | Quarterly distribution |
| **XGHG-QD** | **GBP** Hedged in GBP | Yes | LU1298483832 | GBP 1,000 | Quarterly distribution |
| **XG-YD** | **GBP** Unhedged | Yes | N/A | GBP 1,000 | Yearly distribution |
| **XJ** | **JPY** Unhedged | Yes | N/A | JPY 100 thousand | Capitalisation |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1,000 | Capitalisation |
| **XU-YD** | **USD** Unhedged | Yes | N/A | USD 1,000 | Yearly distribution |
| **XXEHE** | **EUR** Hedged in EUR | Yes | LU1543698648 | EUR 1,000 | Capitalisation |
| **XXEHE-QD** | **EUR** Hedged in EUR | Yes | TBD | EUR 1,000 | Quarterly distribution |
| **XXGHG-QD** | **GBP** Hedged in GBP | Yes | LU1543698721 | GBP 1,000 | Quarterly distribution |
| **XXU** | **USD** Unhedged | Yes | LU1543698994 | USD 1,000 | Capitalisation |

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **XXU-QD** | **USD** Unhedged | Yes | TBD | USD 1,000 | Quarterly distribution |

## 3. TCW FUNDS - TCW INCOME FUND

| TCW Funds – TCW Income Fund |
|---|

### A. INVESTMENT OBJECTIVE

The Sub-Fund's investment objective is to seek long term capital appreciation through a flexible investment approach that invests primarily in global debt securities (as outlined below).

Benchmark: ICE BofAML U.S. Dollar 3-Month Deposit Offered Rate Average Index

### B. INVESTMENT POLICY

The Sub-Fund seeks to achieve its investment objective by employing a discretionary and flexible investment approach investing into a range of global investment opportunities in debt securities and in derivative instruments that provide investment exposure to such securities. These investment opportunities aim to take benefit of movement in the credit, currency and interest rate markets that positively impacts the prices of the underlying debt securities.

The Sub-Fund invests (except when maintaining a temporary defensive position) directly at least 80% of its net assets in global debt securities of varying maturities that are issued by corporations and governments and in derivative instruments that provide investment exposure to such securities. The Sub-Fund may invest in both investment grade and non-investment grade debt securities, subject to investing no more than 75% of its net assets in securities rated BB+ and/or lower by Standard & Poor's, or an equivalent rating by any of the other principal rating agencies or, if unrated, are determined to be below investment grade by the Investment Manager. The Sub-Fund may invest up to 75% of the Sub-Fund's net assets in Emerging Markets Countries. The Sub-Fund will aim to limit its exposure to non-dollar denominated securities or currencies to 60% of its net assets. In order to assist in achieving the investment objective, the Sub-Fund may invest up to 20% of its net assets in preferred stock and common stock of companies globally (and across all industry sectors).

Sub-Fund may have a duration range from -3 years to +8 years. The Investment Manager believes that this allows it to protect the portfolio from capital losses during periods of rising interest rates, and also generate price gains during periods of falling interest rates.

The types of debt securities in which the Sub-Fund may invest include: debt securities issued or guaranteed by national governments, their agencies, instrumentalities and political sub-divisions (including inflation protected securities); STRIPS (Separate Trading of Registered Interest and Principal of Securities) bonds; debt securities of supranational organisations such as freely transferable promissory notes, bonds and debentures; corporate debt securities, including freely transferable promissory notes, debentures, bonds; convertible bonds (which may embed a derivative instrument); commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations; structured notes that are transferable securities whose underlying exposure may be to fixed income securities (structured notes include inverse floaters which may embed derivatives); mortgage-backed and asset-backed securities that are structured as debt securities; securitised participations in loans that are transferable securities; Eurodollar bonds and Yankee dollar bonds (including senior and subordinated notes); and Rule 144A securities. These debt securities may contain any type of interest rate payment or reset terms, including fixed rate, adjustable rate, zero coupon, contingent, deferred, payment-in-kind and those with auction rate features (being variable rate debt securities with long maturities (eg 10 to 30 years) but with coupons linked to short-term interest rates (eg 3 months to 6 months)).

The types of mortgage-related and asset-backed securities that the Sub-Fund may invest in include mortgage-backed securities (MBS), commercial mortgage-backed securities (CMBS), and asset-backed securities (ABS). The Sub-Fund may invest both in MBS secured by residential mortgage loans which are issued or guaranteed by, or secured by collateral which is guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. Ginnie Mae, Freddie Mac, and Fannie Mae), and those which are not issued or guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. privately issued or non-Agencies). CMBS are backed by one or more commercial or multifamily mortgage loans. ABS are backed by various types of assets such as automobile and credit card receivables, student loans or other types of receivables. The Sub-Fund may invest in privately issued MBS rated below investment grade (which are rated below Baa3 by Moody's or BBB- by S&P). The Sub-Fund may invest in securities that are commonly known as mortgage derivatives, including inverse floaters, interest only strips (IOs), principal only strips (POs), inverse IOs, and TBAs (to-be-announced).

The remaining part of the Sub-Fund's assets may be invested in:

- bonds and money market instruments other than those mentioned above;
- convertible bonds;
- preferred stock up to 10% of the net assets;
- common stock of U.S. and non-U.S. companies up to 5% of the net assets;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets;
- Deposits; and
- MBS and ABS for a maximum of 100% of its net assets

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE, REHE-QD and XXEHE Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD, XGHG-QD and XXGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Australian Dollar for the IA-QD, IAHA-QD Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including, but not limited to, interest rate derivatives, credit derivatives such as swaps, futures, options and credit default swaps for hedging purposes, for risk management, Efficient Portfolio Management or to increase income or gains for the Sub-Fund. The Sub-Fund may also seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled Investment Techniques.

## C. RISK MANAGEMENT PROCESS

### 1 - Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 - Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Market Risk.** The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Interest Rate Risk.** The risk that debt securities will decline in value because of changes in interest rates.

**Credit Risk**. The risk that an issuer will default in the payment of principal and/or interest on a security.

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Derivatives and Swaps Risks.** The risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index and the Sub-Fund could lose more than the principal amount invested. Swaps also involve the risks that the counterparty may default and the potential risk of liquidity.

**Leveraging Risk.** The risk that leverage created from borrowing or certain types of transactions or instruments, including derivatives, may impair the Sub-Fund's liquidity, cause it to liquidate positions at an unfavorable time, increase volatility or otherwise not achieve its intended result.

**Non-U.S. Securities Risk.** The value of the Sub-Fund's investments in non-U.S. securities also depends on changing currency values, different political and economic environments and other overall economic conditions in the countries where the Sub-Fund invests. Emerging market debt securities tend to be of lower credit quality and subject to greater risk of default than higher rated securities from more developed markets. Investments by the Sub-Fund in currencies other than U.S. dollars may decline in value against the U.S. dollar if not properly hedged.

**Equity Risk.** The risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions.

**Currency Risk.** The risk that foreign currencies will decline in value relative to the U.S. dollar and affect the Sub-Fund's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

**Portfolio Management Risk.** The risk that an investment strategy may fail to produce the intended results. Also, because the Sub-Fund may use multiple investment strategies, it may use a strategy that produces a less favorable result than would have been produced by another strategy.

**Liquidity Risk.** The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all, each of which would have a negative effect on performance.

**Prepayment Risk of Asset-Backed and Mortgage-Backed Securities.** The risk that in times of declining interest rates, the Sub-Fund's higher yielding securities will be prepaid and the Sub-Fund will have to replace them with securities having a lower yield.

**Extension Risk of Asset-Backed and Mortgage-Backed Securities.** The risk that in times of rising interest rates prepayments will slow causing securities considered short or intermediate term to be long-term securities which fluctuate more widely in response to changes in interest rates than shorter term securities.

**Asset-Backed Securities Investment Risk.** The risk that the impairment of the value of the collateral underlying the security such as non-payment of loans, will result in a reduction in the value of the security.

**Counterparty Risk.** The risk that a derivative transaction depends on the creditworthiness of the counterparty and the counterparty's ability to fulfill its contractual obligations.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking to maximise total investment return through a combination of interest income and capital appreciation and are willing to accept risk to their capital. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **ACHC** | CHF Hedged in CHF | No | TBD | 1 Share | Capitalisation |
| **AEHE** | EUR Hedged in EUR | Yes | LU1848747256 | 1 Share | Capitalisation |

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **AU** | USD Unhedged | Yes | LU1848747330 | 1 Share | Capitalisation |
| **ICHC** | CHF Hedged in CHF | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **IEHE** | EUR Hedged in EUR | Yes | LU1848747504 | Equivalent to USD 1 million* | Capitalisation |
| **IGHG-YD** | GBP Hedged in GBP | Yes | LU1848747686 | Equivalent to USD 1 million* | Yearly distribution |
| **IU** | USD Unhedged | Yes | LU1848747769 | Equivalent to USD 1 million* | Capitalisation |
| **OU** | USD Unhedged | Yes | N/A | 1 Share | Capitalisation |
| **RCHC** | CHF Hedged in CHF | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **REHE** | EUR Hedged in EUR | Yes | LU1848747926 | Equivalent to USD 1 million* | Capitalisation |
| **RGHG-YD** | GBP Hedged in GBP | No | TBD | Equivalent to USD 1 million* | Yearly distribution |
| **RU** | USD Unhedged | Yes | LU1848748064 | Equivalent to USD 1 million* | Capitalisation |
| **XEHE** | EUR Hedged in EUR | No | N/A | EUR 1,000 | Capitalisation |
| **XGHG-YD** | GBP Hedged in GBP | No | N/A | GBP 1,000 | Yearly distribution |
| **XU** | USD Unhedged | Yes | N/A | USD 1,000 | Capitalisation |

TCW

## 4. TCW FUNDS – TCW TOTAL RETURN BOND FUND

| TCW Funds – TCW Total Return Bond Fund |
| --- |

### A. INVESTMENT OBJECTIVE

The Sub-Fund seeks to maximise current income and achieve above average total return consistent with prudent investment management over a full market cycle.

Benchmark: Barclays U.S. Aggregate Bond Index

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) directly at least 80% of its net assets in fixed income securities and in derivative instruments that provide investment exposure to such securities. Fixed income securities include bonds, notes, and other fixed income instruments (including Rule 144A securities) issued by governmental or private-sector issuers. The Sub-Fund invests at least 50% of its net assets in mortgage-related securities, asset-backed securities, commercial-mortgage-related securities of any maturity or type guaranteed by, or secured by collateral that is guaranteed by, the United States Government, its agencies, instrumentalities or sponsored corporation; privately issued mortgage-related securities rated at time of investment AA- or higher by S&P or the equivalent as determined by at least one nationally recognised credit rating agency, or, if unrated, deemed to be of comparable quality by the Investment Manager; other obligations of the United States Government, its agencies, instrumentalities or sponsored corporations; and money market instruments.

The Sub-Fund may invest in privately issued mortgage-related securities rated below investment grade (below Baa3 by Moody's or BBB- by S&P). The Sub-Fund may invest in derivative instruments such as options, futures, swaps, credit default swaps, private placements and restricted securities. The Sub-Fund may also purchase or sell securities on a when-issued, delayed delivery or forward commitment basis. The Sub-Fund investments may have interest rates that are fixed, variable or floating.

The types of mortgage-related and asset-backed securities that the Sub-Fund may invest in include mortgage-backed securities (MBS), commercial mortgage-backed securities (CMBS), and asset-backed securities (ABS). The Sub-Fund may invest both in MBS secured by residential mortgage loans which are issued or guaranteed by, or secured by collateral which is guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. Ginnie Mae, Freddie Mac, and Fannie Mae), and those which are not issued or guaranteed by the U.S. Government/U.S. Federal Agencies (i.e. privately issued or non-Agencies). CMBS are backed by one or more commercial or multifamily mortgage loans. ABS are backed by various types of assets such as automobile and credit card receivables, student loans or other types of receivables. The Sub-Fund may invest in privately issued MBS rated below investment grade (which are rated below Baa3 by Moody's or BBB- by S&P). The Sub-Fund may invest in securities that are commonly known as mortgage derivatives, including inverse floaters and interest only (IO), principal-only (PO), inverse IOs, tiered index bonds and TBAs (to-be-announced).

In managing the Sub-Fund's investments, under normal market conditions, the portfolio managers seek to construct an investment portfolio with a weighted average effective duration target of no more than eight years.

Additionally, the remaining part of the Sub-Fund's assets may be invested in:

- bonds and money market instruments other than those mentioned above;
- convertible bonds;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets; and
- Deposits.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including, but not limited to, interest rate derivatives, credit derivatives such as swaps, futures, options and credit default swaps for hedging purposes, for risk management, Efficient Portfolio Management or to increase income or gains for the Sub-Fund. The Sub-Fund may also seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 – Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Interest Rate Risk**. The risk that debt securities will decline in value because of changes in interest rates.

**Credit Risk**. The risk that an issuer will default in the payment of principal and/or interest on a security.

**Price Volatility Risk.** The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down.

**Prepayment Risk of Asset-Backed and Mortgage-Backed Securities**. The risk that in times of declining interest rates, the Sub-Fund's higher yielding securities will be prepaid and the Sub-Fund will have to replace them with securities having a lower yield.

**Extension Risk of Asset-Backed and Mortgage-Backed Securities**. The risk that in times of rising interest rates prepayments will slow causing securities considered short or intermediate term to be long-term securities which fluctuate more widely in response to changes in interest rates than shorter term securities.

**Asset-Backed Securities Investment Risk**. The risk that the impairment of the value of the collateral underlying the security such as non-payment of loans, will result in a reduction in the value of the security.

**Derivatives and Swaps Risks**. The risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index and the Sub-Fund could lose more than the principal amount invested. Swaps also involve the risks that the counterparty may default and the potential risk of liquidity.

**Leveraging Risk.** The risk that leverage created from borrowing or certain types of transactions or instruments, including derivatives, may impair the Sub-Fund's liquidity, cause it to liquidate positions at an unfavorable time, increase volatility or otherwise not achieve its intended result.

**Counterparty Risk**. The risk that the other party to a contract, such as a swap agreement, will not fulfill its contractual obligations.

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking to maximise total investment return through a combination of interest income and capital appreciation and are willing to accept risk to their capital. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund’s portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section “Valuation” will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **AEHE** | **EUR** Hedged in EUR | Yes | LU0905646096 | 1 Share | Capitalisation |
| **AU** | **USD** Unhedged | Yes | LU0905645957 | 1 Share | Capitalisation |
| **IU** | **USD** Unhedged | Yes | LU0905647573 | USD 1 million | Capitalisation |
| **OU** | **USD** Unhedged | Yes | LU1699972920 | 1 Share | Capitalisation |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1,000 | Capitalisation |

## 5. TCW FUNDS – METWEST HIGH YIELD BOND FUND

| TCW Funds – MetWest High Yield Bond Fund |
| --- |

### A. INVESTMENT OBJECTIVE

The Sub-Fund seeks high total return provided by current income and capital appreciation.

Benchmark: Barclays U.S. Corporate High Yield 2% Issuer Cap Index.

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) at least 80% of its net assets in high yield bonds (commonly called “junk bonds”) of U.S. issuers (which means issuers of securities traded on the U.S. domestic market, or issuers residing in the U.S. and/or whose main business and/or principal registered office are located in the U.S.), which are rated below investment grade or are unrated and determined by the Investment Manager to be of similar quality. The remainder of the Sub-Fund’s assets may be invested in investment grade securities rated at time of investment BBB- or higher by S&P or the equivalent as determined by at least one nationally recognised credit rating agency, or, if unrated, deemed to be of comparable quality by the Investment Manager.

Under normal conditions, the portfolio duration is two to eight years and the dollar-weighted average maturity ranges from two to fifteen years. The Sub-Fund invests in the U.S. and abroad. The Investment Manager may opportunistically invest a small portion of the portfolio in Emerging Market Countries. The Sub-Fund may purchase securities of varying maturities issued by domestic and foreign corporations and governments. The Investment Manager will focus the Sub-Fund’s portfolio holdings in areas of the bond market (based on quality, sector, coupon or maturity) that the Investment Manager believes to be relatively undervalued.

Investments include various types of bonds and other securities (including Rule 144A securities), such as but not limited to corporate bonds, mezzanine investments, collateralised bond obligations, collateralised debt obligations, collateralised loan obligations, money-market securities, obligations of the United States Government, its agencies or government-sponsored enterprises, private placements, restricted securities and banking loans that are considered with respect to Articles 2 or 3 and 4 of the Luxembourg regulation of 8 February 2008 as transferable securities (subject to the 10% limitation defined in Article 41.2 of the 2010 Law). These investments may have interest rates that are fixed, variable or floating.

The Sub-Fund may also invest up to 5% of its net assets in Defaulted Securities issued by corporate and sovereign issuers. “Defaulted Securities” are securities for which there is a failure by the issuer or the guarantor to make timely payment of interest or principal or to otherwise comply with the provisions of the indenture (including covenants).

The remaining part of the Sub-Fund’s assets may be invested in:

- bonds and money market instruments other than those mentioned above;
- convertible bonds and warrants;
- equities and Equity-linked Instruments;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets;
- Deposits; and
- MBS and ABS for a maximum of 10% of its net assets.

The assets of the above mentioned share classes of the Sub-Fund shall be solely composed of US Dollar (USD) investments. In case the US dollar investment ratio in the assets falls below 100%, the Investment Manager shall undertake appropriate currency hedging transactions to increase the ratio to 100%.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including, but not limited to, interest rate derivatives, credit derivatives such as credit default swaps, credit linked notes, futures, options, and total return swaps for hedging purposes, for risk management, Efficient Portfolio Management or to increase income or gains for the Sub-Fund. The Sub-Fund may also seek to obtain market exposure to the securities in which it invests by entering into a series of purchase and sale contracts or by using other investment techniques.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 – Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**High Yield Risk.** The risk that these bonds have a higher degree of default risk and may be less liquid and subject to greater price volatility than investment grade bonds.

**Price Volatility Risk.** The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down.

**Interest Rate Risk**. The risk that debt securities will decline in value because of changes in interest rates.

**Credit Risk**. The risk that an issuer will default in the payment of principal and/or interest on a security.

**Derivatives and Swaps Risks**. The risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index and the Sub-Fund could lose more than the principal amount invested. Swaps also involve the risks that the counterparty may default and the potential risk of liquidity.

**Leveraging Risk.** The risk that leverage created from borrowing or certain types of transactions or instruments, including derivatives, may impair the Sub-Fund's liquidity, cause it to liquidate positions at an unfavorable time, increase volatility or otherwise not achieve its intended result.

**Non-U.S. Securities Risk**. The value of the Sub-Fund's investments in non-U.S. securities also depends on changing currency values, different political and economic environments and other overall economic conditions in the countries where the Sub-Fund invests. Emerging market debt securities tend to be of lower credit quality and subject to greater risk of default than higher rated securities from more developed markets.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

**Prepayment Risk of Asset-Backed and Mortgage-Backed Securities**. The risk that in times of declining interest rates, the Sub-Fund's higher yielding securities will be prepaid and the Sub-Fund will have to replace them with securities having a lower yield.

**Extension Risk of Asset-Backed and Mortgage-Backed Securities**. The risk that in times of rising interest rates prepayments will slow causing securities considered short or intermediate term to be long-term securities which fluctuate more widely in response to changes in interest rates than shorter term securities.

**Asset-Backed Securities Investment Risk**. The risk that the impairment of the value of the collateral underlying the security such as non-payment of loans, will result in a reduction in the value of the security.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Counterparty Risk**. The risk that the other party to a contract, such as a swap agreement, will not fulfill its contractual obligations.

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking to maximise total investment return through a combination of interest income and capital appreciation and are willing to accept risk to their capital. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com by downloading the table named “Last available Share Classes” to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund’s portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section “Valuation” will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **AEHE** | **EUR** Hedged in EUR | Yes | LU1377851537 | 1 Share | Capitalisation |
| **AU** | **USD** Unhedged | Yes | LU1377851610 | 1 Share | Capitalisation |
| **IEHE** | **EUR** Hedged in EUR | Yes | LU1377851701 | Equivalent to USD 1 million* | Capitalisation |
| **IGHG-QD** | **GBP** Hedged in GBP | Yes | LU1377851883 | Equivalent to USD 1 million* | Quarterly distribution |
| **IU** | **USD** Unhedged | Yes | LU1377851966 | USD 1 million | Capitalisation |
| **OU** | USD unhedged | Yes | LU1377852006 | 1 Share | Capitalisation |
| **XJ** | JPY unhedged | Yes | N/A | JPY 100 thousand | Monthly distribution |
| **XJC** | JPY unhedged | Yes | N/A | JPY 100 thousand | Capitalisation |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1,000 | N/A |

## 6. TCW FUNDS - TCW EMERGING MARKETS INCOME FUND

| TCW Funds – TCW Emerging Markets Income Fund |
|---|

### A. INVESTMENT OBJECTIVES

The Sub-Fund seeks high total return provided by current income and capital appreciation by investing mainly in fixed income securities and instruments giving exposure to emerging markets.

Benchmark: JP Morgan Emerging Markets Bond Index -Global Diversified

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) directly at least 80% of its net assets in bonds (including Rule 144A securities) and money market instruments issued by governments of Emerging Market Countries, their public local authorities and/or companies of Emerging Market Countries, and in derivative instruments that provide investment exposure to such securities. In order to insure a geographical diversification, the Sub-Fund will generally invest in at least four Emerging Market Countries (please refer to the Glossary of Terms for a definition of Emerging Market Countries).

Subject to the 10% limitation defined by Article 41 of the 2010 Law, the Sub-Fund may invest for a maximum of 20% of its net assets in Defaulted Securities issued by corporate and sovereign issuers. “Defaulted Securities” are securities for which there is a failure by the issuer or the guarantor to make timely payment of interest or principal or to otherwise comply with the provisions of the indenture (including covenants). Defaulted Securities that are liquid and are not subject to the 10% limitation include securities of issuers which are kept in the JP Morgan benchmark EMBI indices during default and securities for which there is daily trading activity or for which at least two third party firm bid prices may be found. Defaulted Securities that do not comply with the criteria described in this paragraph will be subject to the 10% limitation (as set forth in Article 41.2 of the 2010 Law).

The remaining part of the Sub-Fund’s assets may be invested in:

- bonds and money market instruments other than those mentioned above;
- convertible bonds;
- equities and Equity-linked Instruments;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets;
- Deposits; and
- MBS and ABS for a maximum of 20% of its net assets.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund’s net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including but not limited to interest rate derivatives, credit derivatives such as credit default swaps, credit linked notes and total return swaps for hedging purposes and Efficient Portfolio Management.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 - Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 - Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The discretionary investment style is based on anticipating trends in the different emerging markets fixed income. There is a risk that the Sub-Fund may not always be invested in the most profitable markets.

Market risk is linked to the trends in the markets of the underlying assets and to the volatility of the bonds as well as to trends in credit spreads on such instruments.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Generally speaking, this Sub-Fund is not looking for any leverage effect through the use of the derivative instruments. However, it remains true that in absolute terms, any Sub-Fund which uses derivative instruments, regardless of the use made of them, may be considered as integrating the leverage effect to a certain extent in its strategy.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

Emerging markets have the potential to deliver income and growth superior to that available in developed markets. However, emerging markets can be volatile, making an investment in this asset class appropriate only for investors with long term investment horizons or the ability to sustain losses. Emerging market bonds are most suitable as part of a diversified investment strategy and are not suitable for investors adverse to risk.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund’s portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section “Valuation” will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **ACHC** | **CHF Hedged in CHF** | Yes | TBD | 1 Share | Capitalisation |
| **AE** | **EUR** Unhedged | Yes | LU0726518805 | 1 Share | Capitalisation |
| **AEHE** | **EUR** Hedged in EUR | Yes | LU0726519019 | 1 Share | Capitalisation |
| **AU** | **USD** Unhedged | Yes | LU0726519100 | 1 Share | Capitalisation |
| **AU-MD** | **USD** Unhedged | Yes | LU1437591990 | USD 1,000 | Monthly distribution |
| **ATFE** | **EUR** Unhedged | Yes | LU1266771200 | 1 Share | Capitalisation |
| **ATFHE** | **EUR** Hedged in EUR | Yes | LU1266771382 | 1 Share | Capitalisation |
| **ICHC** | **CHF Hedged in CHF** | Yes | TBD | Equivalent to USD 1 million* | Capitalisation |
| **IEHE** | **EUR** Hedged in EUR | Yes | LU1055787847 | Equivalent to USD 1 million* | Capitalisation |
| **IGHG-QD** | **GBP** Hedged in GBP | Yes | LU1298484483 | Equivalent to USD 1 million* | Quarterly distribution |
| **IU** | **USD** Unhedged | Yes | LU0726519282 | USD 1 million* | Capitalisation |
| **OU** | **USD** Unhedged | Yes | N/A | 1 Share | Capitalisation |
| **RU** | **USD** Unhedged | Yes | LU1806398027 | USD 1 million* | Capitalisation |
| **RGHG-QD** | **GBP** Hedged in GBP | Yes | LU1806398290 | Equivalent to USD 1 million* | Quarterly distribution |
| **XGHG-QD** | **GBP** Hedged in GBP | Yes | N/A | Equivalent to USD 1 million* | Quarterly distribution |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1 million* | Capitalisation |

* Unless otherwise approved by the Board of Directors.

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## 7. TCW FUNDS - TCW EMERGING MARKETS LOCAL CURRENCY INCOME FUND

| TCW Funds – TCW Emerging Markets Local Currency Income Fund |
|---|

### A. INVESTMENT OBJECTIVES

The Sub-Fund seeks high total return provided by current income, foreign exchange gains, and capital appreciation by investing mainly in fixed income securities and instruments denominated in the local currency of various Emerging Market Countries (please refer to the Glossary of Terms for a definition of Emerging Market Countries).

Benchmark: JP Morgan GBI-Emerging Markets Global Diversified USD Index

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) directly at least 80% of its net assets in bonds (including Rule 144A securities) and money market instruments issued or guaranteed by non-financial companies, financial institutions and government entities in Emerging Market Countries denominated in the local currency of these countries, and in derivative instruments that provide investment exposure to such securities. The Sub-Fund may, but is not required to, hedge its exposure to non-U.S. currencies. The Sub-Fund may invest in securities that are unrated or rated BB or lower by S&P or Ba or lower by Moody's.

Subject to the 10% limitation defined by Article 41 of the 2010 Law, the Sub-Fund may invest for a maximum of 20% of its net assets in Defaulted Securities issued by corporate and sovereign issuers. “Defaulted Securities” are securities for which there is a failure by the issuer or the guarantor to make timely payment of interest or principal or to otherwise comply with the provisions of the indenture (including covenants).
Defaulted Securities that are liquid and are not subject to the 10% limitation include securities of issuers which are kept in the JP Morgan benchmark GBI-EM indices during default and securities for which there is daily trading activity or for which at least two third party firm bid prices may be found. Defaulted Securities that do not comply with the criteria described in this paragraph will be subject to the 10% limitation (as set forth in Article 41.2 of the 2010 Law).

The remaining part of the Sub-Fund’s assets may be invested in:

- bonds and money market instruments other than those mentioned above;
- convertible bonds;
- equities and Equity-linked Instruments;
- Units/shares of UCITS and/or other UCIs up to 10% of the net assets; and
- Deposits;

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund’s net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may also use financial derivative instruments including but not limited to interest rate derivatives, credit derivatives such as credit default swaps, credit linked notes and total return swaps for hedging purposes and Efficient Portfolio Management. The Sub-Fund may also make forward commitments in which the Sub-Fund agrees to buy or sell a security in the future at a price agreed upon today.
The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 - Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 - Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The discretionary investment style is based on anticipating trends in the different emerging markets fixed income. There is a risk that the Sub-Fund may not always be invested in the most profitable markets.

Market risk is linked to the trends in the markets of the underlying assets and to the volatility of the bonds as well as to trends in credit spreads on such instruments.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Generally speaking, this Sub-Fund is not looking for any leverage effect through the use of the derivative instruments. However, it remains true that in absolute terms, any Sub-Fund which uses derivative instruments, regardless of the use made of them, may be considered as integrating the leverage effect to a certain extent in its strategy.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

Emerging markets have the potential to deliver income and growth superior to that available in developed markets. However, emerging markets can be volatile, making an investment in this asset class appropriate only for investors with long term investment horizons or the ability to sustain losses. Emerging market bonds are most suitable as part of a diversified investment strategy and are not suitable for investors adverse to risk.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the banks in the United States are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund’s portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section “Valuation” will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **AE** | **EUR** Unhedged | Yes | LU0905645288 | 1 Share | Capitalisation |
| **AU** | **USD** Unhedged | Yes | LU0905645106 | 1 Share | Capitalisation |
| **ATFE** | **EUR** Unhedged | Yes | LU1266771465 | 1 Share | Capitalisation |
| **ATFHE** | **EUR** Hedged in EUR | Yes | LU1266771549 | 1 Share | Capitalisation |
| **IU** | **USD** Unhedged | Yes | LU0905645361 | USD 1 million | Capitalisation |
| **IU-YD** | **USD** Unhedged | Yes | LU1134578563 | USD 1 million | Yearly distribution |
| **IE** | **EUR Unhedged** | Yes | LU1762235882 | Equivalent to USD 1 million* | Capitalisation |
| **IE-YD** | **EUR** Unhedged | Yes | LU1134578308 | USD 1 million | Yearly distribution |
| **IG-QD** | **GBP** Unhedged | Yes | LU1298484640 | Equivalent to USD 1 million | Quarterly distribution |
| **RU** | **USD** Unhedged | Yes | LU1806398613 | Equivalent to USD 1 million | Capitalisation |
| **XG-YD** | **GBP** Unhedged | Yes | N/A | GBP 1,000 | Yearly distribution |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1,000 | Capitalisation |
| **XU-YD** | **USD** Unhedged | Yes | N/A | USD 1,000 | Yearly distribution |

# Annex 2- Equity Sub-Funds

This Annex will be updated to account for any change in an existing Equity Sub-Fund or when a new Equity Sub-Fund is created.

# 1. TCW FUNDS - TCW SELECT EQUITIES FUND

| TCW Funds – TCW Select Equities Fund |
|---|

## A. INVESTMENT OBJECTIVE

The Sub-Fund seeks to provide long-term capital appreciation.

Benchmark: Russell 1000® Growth Index

## B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests primarily in equity securities of mid and large capitalisation companies. Under normal circumstances, the Sub-Fund invests (except when maintaining a temporary defensive position) at least 80% of its net assets in equity securities. Equity securities include common and preferred stock; rights or warrants to purchase common or preferred stock; securities convertible into common or preferred stock such as convertible preferred stock, bonds or debentures; American Depository Receipts; and other securities with equity characteristics. The Investment Manager uses a highly focused approach which seeks to achieve superior long-term returns over a full market cycle by owning shares of companies that he believes to have strong and enduring business models and inherent advantages over their competitors.

Portfolio securities may be sold when a company fails to meet expectations, there is deterioration of underlying fundamentals, the portfolio manager concludes that the intermediate and long-term prospects for the company are poor, the portfolio manager determines to take advantage of a better investment opportunity, or, in the portfolio manager's opinion, the security becomes fully valued or the security becomes too large a position in the Sub-Fund or the individual security has reached its sell target.

Additionally, the Sub-Fund

- May enter into repurchase and reverse repurchase agreements;
- Invest in units/shares of UCITS and/or other UCIs up to 10% of the net assets; and
- Invest in deposits (with a limit of 20% of the net assets of the Sub-Fund in deposits made with the same body),

with the remaining part of the Sub-Fund's assets.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund does not intend to invest in ABS or MBS securities.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 – Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Equity Risk.** The risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions.

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Price Volatility Risk**. The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down**.**

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

**Investment Style Risk**. The risk that the particular style or set of styles that the investment advisor primarily uses may be out of favor or may not produce the best results over short or longer time periods and may increase the volatility of the Sub-Fund's share price.

**Foreign Investing Risk**. The risk that Sub-Fund share prices will fluctuate with market conditions, currency exchange rates and the economic and political climates in countries where the Sub-Fund invests.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking long-term capital appreciation through exposure to the equity securities of mid and large capitalisation companies. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **IU** | **USD** Unhedged | Yes | LU1329979691 | USD 1 million | Capitalisation |
| **XU** | **USD** Unhedged | Yes | N/A | USD 1,000 | Capitalisation |

## 2. TCW FUNDS - TCW GLOBAL ARTIFICIAL INTELLIGENCE EQUITY FUND

| TCW Funds – TCW Global Artificial Intelligence Equity Fund |
|---|

### A. INVESTMENT OBJECTIVE

The Sub-Fund's investment objective is to seek long-term capital appreciation.

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) at least 80% of the value of its net assets in publicly traded equity securities of businesses that the portfolio managers believe are benefitting from or have the potential to benefit from advances in the use of artificial intelligence under normal circumstances. Artificial intelligence refers to the development or use by a business of computer systems that perform tasks previously requiring human intelligence such as decision-making or audio or visual identification or perception. Equity securities include common and preferred stock; rights or warrants to purchase common or preferred stock; securities convertible into common or preferred stock such as convertible preferred stock, bonds or debentures; American Depository Receipts (ADRs); and other securities with equity characteristics.

The Sub-Fund typically invests in companies in information technology, consumer discretionary, industrial and health care sectors with market capitalisations of at least $300 million at the time of acquisition. The Sub-Fund typically invests in a portfolio of 25 to 60 companies. The portfolio managers use both qualitative and quantitative screening criteria to supplement the fundamental research. The portfolio managers' qualitative screening focuses on those companies that they believe have the potential to grow or otherwise materially benefit partly as a result of their development or use of artificial intelligence in analysis, forecasting, efficiency, automation, consistency and scale.

Portfolio securities may be sold for a number of reasons, including when a company fails to meet expectations or when the portfolio managers believe that (i) there has been a deterioration in the underlying fundamentals of a company, (ii) the intermediate- and long-term prospects for a company are poor or the original thesis was flawed or has been damaged, (iii) another security may offer a better investment opportunity, (iv) an individual security has reached its sell target or the investment therein has been exhausted, or (v) the portfolio should be rebalanced for diversification or portfolio weighting purposes.

Additionally, the Sub-Fund
- Invest in units/shares of UCITS and/or other UCIs up to 5% of the net assets; and
- Invest in deposits (with a limit of 20% of the net assets of the Sub-Fund in deposits made with the same body),

with the remaining part of the Sub-Fund's assets.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund does not intend to invest in ABS or MBS securities.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:
- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,

- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 – Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Equity Risk.** The risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions.

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Price Volatility Risk**. The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down**.**

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

**Investment Style Risk**. The risk that the particular style or set of styles that the investment advisor primarily uses may be out of favor or may not produce the best results over short or longer time periods and may increase the volatility of the Sub-Fund's share price.

**Foreign Investing Risk**. The risk that Sub-Fund share prices will fluctuate with market conditions, currency exchange rates and the economic and political climates in countries where the Sub-Fund invests.

**Sector Concentration Risk**. The risk that the Fund may be susceptible to the impact of market, economic, regulatory, and other factors affecting the technology sector because of its concentrated investments in companies expected to benefit from the rising influence of artificial intelligence. At times of such impact, the value of the Fund may fluctuate more widely than it would for a fund that invests more broadly across varying sectors.

**Foreign Currency Risk**. The risk that foreign currencies will decline in value relative to the U.S. dollar and affect the Fund's investments denominated in foreign currencies or the Fund's investments in foreign currencies or in securities that trade in and receive revenues in, or in derivatives that provide exposure to, foreign currencies.

**Globalisation Risk**. The risk that the growing inter-relationship of global economies and financial markets has magnified the effect of conditions in one country or region on issuers of securities in a different country or region.

**Small- and mid-Capitalisation Company Risk**. The risk that small- and mid-capitalization companies may have more volatile stock performance than large-capitalization companies and are more likely to experience business failures, which may increase the risk of loss to the Fund.

**Cybersecurity Risk**. The risk that information and technology systems relied upon by the Fund, the investment advisor, the Fund's service providers and/or the issuers of securities in which the Fund invests may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons or security breaches.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking long-term capital appreciation through exposure to the equity securities of mid and large capitalisation companies. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **ACHC** | **CHF** Hedged in CHF | No | TBD | 1 Share | Capitalisation |
| **AEHE** | **EUR** Hedged in EUR | Yes | LU1848748221 | 1 Share | Capitalisation |
| **AU** | **USD** Unhedged | Yes | LU1848748494 | 1 Share | Capitalisation |
| **ICHC** | **CHF** Hedged in CHF | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **IEHE** | **EUR** Hedged in EUR | Yes | LU1848748577 | Equivalent to USD 1 million* | Capitalisation |
| **IGHG-QD** | **GBP** Hedged in GBP | Yes | LU1848748650 | Equivalent to USD 1 million* | Quarterly distribution |
| **IU** | **USD** Unhedged | Yes | LU1848748734 | Equivalent to USD 1 million* | Capitalisation |
| **OU** | **USD** Unhedged | No | N/A | 1 Share | Capitalisation |
| **RCHC** | **CHF** Hedged in CHF | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **REHE** | **EUR** Hedged in EUR | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **RGHG-QD** | **GBP** Hedged in GBP | No | TBD | Equivalent to USD 1 million* | Quarterly distribution |
| **RU** | **USD** Unhedged | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **XEHE** | **EUR** Hedged in EUR | No | N/A | EUR 1,000 | Capitalisation |
| **XGHG-QD** | **GBP** Hedged in GBP | No | N/A | GBP 1,000 | Quarterly distribution |
| **XU** | **USD** Unhedged | No | N/A | USD 1,000 | Capitalisation |

## 3. TCW FUNDS - TCW GLOBAL PREMIER ESG EQUITIES FUND

| TCW Funds – TCW Global Premier ESG Equities Fund |
| --- |

### A. INVESTMENT OBJECTIVE

The Sub-Fund's investment objective is to seek long-term capital appreciation.

Benchmark: MSCI World Index

### B. INVESTMENT POLICY

The Sub-Fund invests primarily in common stocks of companies in Developed Market Countries (please refer to the Glossary of Terms for a definition of Developed Market Countries). The Sub-Fund intends to achieve its objective by investing in a portfolio of companies that the portfolio manager believes are enduring, cash generating businesses whose leaders prudently manage their environmental, social, and financial resources and whose shares are attractively valued relative to the free cash flow generated by the businesses.

Equity securities include common and preferred stock; equity securities of foreign companies listed on established exchanges; American Depository Receipts (ADRs); Global Depository Receipts (GDRs); securities that may be converted into or exchanged for common or preferred stock, such as convertible stock, convertible debt, preferred stock, Eurodollar convertible securities, warrants and options; and other securities with equity characteristics. Although the Sub-Fund will emphasize investments in equity securities of large capitalisation companies, it may invest in the equity securities of companies of any size.

In managing the Sub-Fund's investments, the portfolio manager seeks to invest in what he considers to be attractively valued equity securities of cash generating businesses with prudently managed environmental, social, and financial resources. Fundamental research is used to identify these companies. The portfolio manager will use both qualitative and quantitative screening criteria to supplement the fundamental research. The portfolio manager's screening focuses on companies whose shares are trading at prices the portfolio manager believes are below their l undervalued values.

Portfolio securities may be sold for a number of reasons, including when a company fails to meet expectations or when the portfolio manager believes that (i) there has been a deterioration in the underlying fundamentals of a company, (ii) the intermediate- and long-term prospects for a company are poor, (iii) another security may offer a better investment opportunity, (iv) an individual security has reached its sell target, or (v) the portfolio should be rebalanced for diversification or portfolio weighting purposes.

Additionally, the Sub-Fund
- May enter into repurchase and reverse repurchase agreements;
- Invest in units/shares of UCITS and/or other UCIs up to 10% of the net assets; and
- Invest in deposits (with a limit of 20% of the net assets of the Sub-Fund in deposits made with the same body),

with the remaining part of the Sub-Fund's assets.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:
- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,

- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

## C. RISK MANAGEMENT PROCESS

### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

### 2 – Leverage

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Equity Risk.** The risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions.

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Price Volatility Risk**. The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down**.**

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

**Investment Style Risk**. The risk that the particular style or set of styles that the investment advisor primarily uses may be out of favor or may not produce the best results over short or longer time periods and may increase the volatility of the Sub-Fund's share price.

**Foreign Investing Risk**. The risk that Sub-Fund share prices will fluctuate with market conditions, currency exchange rates and the economic and political climates in countries where the Sub-Fund invests.

**Small- and mid-Capitalisation Company Risk**. The risk that small- and mid-capitalization companies may have more volatile stock performance than large-capitalization companies and are more likely to experience business failures, which may increase the risk of loss to the Sub-Fund.

**Financial Services Sector Risk**. The risk that changes to government regulations, interest rates, or general economic conditions may detrimentally affect the Fund because of the Fund's investments in the financial services sector.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking long-term capital appreciation through exposure to the equity securities of mid and large capitalisation companies. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible but not later than three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **AEHE** | **EUR** Hedged in EUR | Yes | LU1848748817 | 1 Share | Capitalisation |
| **AU** | **USD** unhedged | Yes | LU1848748908 | 1 Share | Capitalisation |

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **ICHC** | **CHF** hedged in CHF | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **IEHE** | **EUR** Hedged in EUR | Yes | LU1848749039 | Equivalent to USD 1 million* | Capitalisation |
| **IGHG-QD** | **GBP** hedged in GBP | Yes | LU1848749112 | Equivalent to USD 1 million* | Quarterly distribution |
| **IU** | **USD** unhedged | Yes | LU1848749203 | Equivalent to USD 1 million* | Capitalisation |
| **RCHC** | **CHF** Hedged in CHF | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **REHE** | **EUR** hedged in EUR | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **RGHG-QD** | **GBP** hedged in GBP | No | TBD | Equivalent to USD 1 million* | Quarterly distribution |
| **RU** | **USD** unhedged | No | TBD | Equivalent to USD 1 million* | Capitalisation |
| **OU** | **USD** unhedged | No | TBD | 1 Share | Capitalisation |
| **XEHE** | **EUR** Hedged in EUR | No | TBD | EUR 1,000 | Capitalisation |
| **XGHG-QD** | **GBP** Hedged in GBP | No | TBD | GBP 1,000 | Quarterly distribution |
| **XU** | **USD** Unhedged | No | TBD | USD 1,000 | Capitalisation |

TCW

## 4. TCW FUNDS - TCW US REIT INCOME FUND

| TCW Funds – TCW US REIT Income Fund |
|---|

### A. INVESTMENT OBJECTIVE

The Sub-Fund seeks to provide a high level of income with the possibility of long-term growth.

Benchmark: S&P US REIT Index

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) at least 80% of its net assets in equity securities of real estate investment trusts ("REITs") set up under US law and listed and publicly traded on stock exchanges in the US. REITs are corporations or trusts that combine the capital of many investors to acquire or provide financing for all forms of income-producing real estate. Equity securities include common and preferred stock; rights or warrants to purchase common or preferred stock; securities convertible into common or preferred stock such as convertible preferred stock, bonds or debentures; and other securities with equity characteristics.

Up to 20% of the Sub-Fund's net assets may be invested in:
- bonds and Money Market Instruments;
- equities and Equity-linked Instruments;
- Units/shares of UCITS and/or other UCIs (including exchange traded funds "ETF") up to 5% of the net assets; and
- Deposits (with a limit of 20% of the net assets of the Sub-Fund in deposits made with the same body).

The Sub-Fund may not invest in securities that are not denominated in USD.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund's net assets in order to offer an exposure to:
- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

### C. RISK MANAGEMENT PROCESS

#### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

**2 – Leverage**
The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**REIT Risk.** The risks related to investment in REITs, including fluctuations in the value of underlying properties, defaults by borrowers or tenants, lack of diversification, heavy cash flow dependency, self-liquidation, and potential failure to qualify for tax-free pass through of income and exemption from registration as an investment company. In addition, the Sub-Fund is subject to the risks associated with the direct ownership of real estate, including fluctuations in value due to general and local economic conditions, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, changes in neighborhood values, changes in the appeal of properties to tenants, increases in interest rates and defaults by borrowers or tenants.

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Price Volatility Risk**. The risk that the value of the Sub-Fund’s investment portfolio will change as the prices of its investments go up or down

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer’s goods or services.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund’s portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor’s attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking long-term capital appreciation through exposure to the equity securities of mid and large capitalisation companies. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund’s portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section “Valuation” will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible within the three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **IU** | **USD** Unhedged | Yes | LU1121457888 | USD 1 million | Capitalisation |
| **XJ** | **JPY** Unhedged | Yes | N/A | JPY 100 thousand | Monthly |

TCW

## 5. TCW FUNDS - TCW MULTI-INCOME US EQUITIES FUND

| TCW Funds – TCW Multi-Income US Equities Fund |
|---|

### A. INVESTMENT OBJECTIVE

The Sub-Fund seeks to provide a combination of current income and long-term capital growth.

Benchmark: Russell 3000 Value

### B. INVESTMENT POLICY

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) at least 80% of its net assets in equity securities listed and publicly traded on stock exchanges in the U.S. Equity securities include common and preferred stock; rights or warrants to purchase common or preferred stock; securities convertible into common or preferred stock such as convertible preferred stock, bonds or debentures; and other securities with equity characteristics. The Investment Manager will focus specifically on investing in securities that are likely to pay high dividends (including but not limited to securities issued by Real Estate Investment Trusts, business development companies, and master limited partnerships). The Investment Manager will utilise a value-oriented multi-cap strategy that seeks to acquire shares at a substantial discount to their intrinsic value. To identify opportunities, the Investment Manager will employ a disciplined “bottom-up” investment process, with emphasis on assessing asset/earnings/cash flow quality and dividend stability.

Up to 20% of the Sub-Fund’s net assets may be invested in:
- bonds and Money Market Instruments;
- Units/shares of UCITS and/or other UCIs (including exchange traded funds “ETF”) up to 5% of the net assets; and
- Deposits (with a limit of 20% of the net assets of the Sub-Fund in deposits made with the same body).

The Sub-Fund may not invest in securities that are not denominated in USD.

With due consideration given to the restrictions on investments required by applicable law and regulations and on an ancillary basis, the Sub-Fund may hold temporarily cash and cash equivalents up to 20% of its net assets. This percentage may exceptionally be exceeded if the Directors consider this to be in the best interests of the Shareholders.

The Sub-Fund may use currency derivatives for a notional amount close to 100% of the Sub-Fund’s net assets in order to offer an exposure to:

- the Euro for the AEHE, ATFHE, FEHE, FEHE-MD, IEHE, REHE and REHE-QD Share Classes,
- the Swiss Franc for the ACHC, ICHC, RCHC and RCHC-QD Share Classes,
- the Pound Sterling for the AGHG, IGHG-QD, RGHG, RGHG-QD and XGHG-QD Share Classes,
- the Hong Kong Dollar for the IHHH and XHHH Share Classes,
- the Japanese Yen for the BJHJ-SD, XJHJ, XJHJA and XJHJB Share Classes,
- the Singapore Dollar for the XSHS Share Class,
- the Chinese Renminbi for the ARHR, IRHR and XRHR Share Classes.

The Sub-Fund may employ techniques and instruments under the conditions described in Schedule B entitled *Investment Techniques.*

### C. RISK MANAGEMENT PROCESS

#### 1 – Calculation of global exposure

As part of this risk-management process, the global exposure of the Sub-Fund is measured and controlled by the commitment approach.

**2 – Leverage**

The leverage shall be determined by taking into account both the financial derivative instruments entered into by the Sub-Fund, the reinvestment of collateral received (in cash) in relation to Efficient Portfolio Management transactions, as well as any use of collateral within any other Efficient Portfolio Management transactions in particular in respect of any other reverse repurchase transaction of collateral.

The leverage is calculated on the basis of the sum of the notional of the derivatives used. For instruments without notional value, the market value of the equivalent position in the underlying will be used.

The expected level of leverage of the Sub-Fund generally will not exceed 100% based on the Net Asset Value of the Sub-Fund.

## D. RISK FACTORS

The principal risks affecting the Sub-Fund that can cause a decline in value are:

**Equity Risk.** The risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods based on changes in a company's financial condition and in overall market, economic and political conditions.

**REIT Risk.** The risks related to investment in REITs, including fluctuations in the value of underlying properties, defaults by borrowers or tenants, lack of diversification, heavy cash flow dependency, self-liquidation, and potential failure to qualify for tax-free pass through of income and exemption from registration as an investment company. In addition, the Sub-Fund is subject to the risks associated with the direct ownership of real estate, including fluctuations in value due to general and local economic conditions, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, changes in neighborhood values, changes in the appeal of properties to tenants, increases in interest rates and defaults by borrowers or tenants.

**Market Risk**. The risk that returns from the securities in which the Sub-Fund invests will underperform returns from the general securities markets or other types of securities.

**Master Limited Partnership ("MLP") Risk.** The risk that the value of the Fund's investments will decline due to the Fund's limited control and limited rights to vote on matters affecting a MLP, risks related to potential conflicts of interest between a MLP and the MLP's general partner, cash flow risks, dilution risks and risks related to the general partner's right to require unit-holders to sell their common units at an undesirable time or price.

**Business Development Company ("BDC") Risk.** The risk that the value of a security of a BDC will decline. BDCs may have limited operating histories, reliance on their advisors, conflicts of interests, payment of substantial fees to advisors and affiliates, illiquidity and risk liquidations at a value less than the original amount invested. Share redemption plans of non-traded investments are limited and subject to suspension, modification or termination at any time. Any redemptions may be below the purchase price. In addition, non-traded and traded BDCs shares risks including regulatory risks, market cycle risks, interest rate risks, and leverage risks.

**Price Volatility Risk**. The risk that the value of the Sub-Fund's investment portfolio will change as the prices of its investments go up or down

**Issuer Risk**. The risk that the value of a security may decline for reasons directly related to the issuer such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Liquidity Risk**. The risk that there may be no willing buyer of the Sub-Fund's portfolio securities and the Sub-Fund may have to sell those securities at a lower price or may not be able to sell the securities at all each of which would have a negative effect on performance.

**Securities Selection Risk**. The risk that the securities held by the Sub-Fund will underperform other funds investing in the same asset class or benchmarks that are representative of the asset class because of the portfolio managers' choice of securities.

**Portfolio Management Risk**. The risk that an investment strategy may fail to produce the intended results.

Investors are informed that the Sub-Fund may not achieve its investment objective and that they may not recover all of their initial investment.

The Investor's attention is also drawn to the fact that each proposed distributing Share Class carries its own specific currency risk. The specific currencies by Share Class are set forth in part I of the Prospectus in Appendix I entitled *Classes of Shares*.

Potential investors should also refer to the risk considerations as provided by part I of the Prospectus in Appendix II entitled *Special Risk Considerations and Risk Factors*.

## E. PROFILE OF THE TYPICAL INVESTOR

This Sub-Fund is suitable for investors seeking long-term capital appreciation through exposure to the equity securities of mid and large capitalisation companies. This Sub-Fund is appropriate for investors who are planning to hold their investment for a medium to long term horizon.

## F. THE SHARES

All the Classes of Shares detailed in Table 1 may be issued in this Sub-Fund.

Please refer to the website www.tcwfunds.com, by downloading the table named "Last available Share Classes" to have a list of the Classes of Shares offered for subscription in the Sub-Fund. All other Classes of Shares may be launched at a time and price as determined by the Board of Directors at its sole discretion.

## G. CURRENCY

The base currency of the Sub-Fund is the USD.

## H. NET ASSET VALUE

For the purpose of this Sub-Fund, the Fund Business Day is defined as any full working day in Luxembourg when the banks are open for business, the New York Stock Exchange is open and when the markets on which the majority of the Sub-Fund's portfolio is invested are open. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

The effect of net asset value corrections described in the section "Valuation" will not exceed 3%.

## I. SUBSCRIPTION OF SHARES

After the initial subscription period, applications for subscription for all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Subscription Deadline (as defined in Appendix IV to the Prospectus).

Payment for Shares must be received by the Depositary and Paying Agent three business days after the relevant Valuation Day, subject to the discretion of the Board of Directors to determine otherwise.

Subscriptions will be accepted in number of Shares of the Sub-Fund or in amounts.

The Subscription Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day increased, if applicable, by subscription fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

## J. REDEMPTION OF SHARES

Applications for redemption from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Redemption Deadline (as defined above).

The Redemption Price will correspond to the Net Asset Value per Share of the relevant Class of the Sub-Fund on the relevant Valuation Day decreased, if applicable, by redemption fees as described in Appendix I entitled *Classes of Shares* of part 1 of the Prospectus and by any applicable Dilution Levy.

Payment for Shares redeemed will be effected as soon as possible within the three business days after the relevant Valuation Day for all Classes.

## K. CONVERSION OF SHARES

Conversions of Shares into Shares of this Sub-Fund or another sub-fund of the Fund is possible under the conditions mentioned in *Section D – Conversion of Shares* of *Chapter 7 – Investing in the Fund*.

The conversion may be made subject to a conversion fee as described in part 1 of the Prospectus in Appendix I entitled *Classes of Shares*.

Applications for conversion from all Classes of Shares must be received by the Registrar Agent on any Dealing Day before the Sub-Fund Conversion Deadline (as defined above).

## L. SUMMARY OF SHARES

All Classes of Shares listed in this table are in existence as at the time of issue of the Prospectus. New Classes of Shares may be launched within the Sub-Fund in the meantime: their existence and characteristics may be checked and found on the website www.tcwfunds.com, by downloading the table named “Last available Share Classes” that details the new Classes of Shares launched since the time of issue of the Prospectus. Such table may be updated from time to time and a copy may also be obtained free of charge and upon request from the Registered Office of the Fund.

| Name | NAV currency | Activated | ISIN Code | Initial Min. | Dividend Distribution |
|---|---|---|---|---|---|
| **XJ** | **JPY** Unhedged | Yes | N/A | JPY 100 thousand | Monthly |