

CAPTURE YIELD. MANAGE RISK.

AC Alternatives® Income Fund is designed to address a client’s desire to generate consistent income while mitigating the risks of rising interest rates and heightened volatility through broad diversification, adept manager selection and dynamic portfolio construction.

A Truly Diversified Income Portfolio

AC Alternatives® Income allocates among highly skilled specialist managers that invest in traditional and alternative asset classes as well as alternative strategies, including:

- Investment grade and high yield bonds
- High-dividend stocks, utilities, real estate investment trusts (REITs) and master limited partnerships (MLPs)
- Long/short, opportunistic and hedging strategies

Experienced, Specialized Management

Institutional alternatives manager Perella Weinberg Partners (PWP) manages the fund. PWP weights underlying investments based on its market outlook, with the goal of reducing exposure to developing risks while capturing emerging opportunities. This nimble approach strives to:

- Carefully manage credit risk and sector-specific risks
- Minimize sensitivity to rising interest rates

An Income Portfolio Complement

Diversification and dynamic management may help address the most important risks to a bond portfolio. This fund may help maintain the yield and improve the performance of an overall fixed-income allocation by seeking:

- Diverse sources of income while protecting investor purchasing power
- Consistent income in challenging environments

WHY THE AC ALTERNATIVES INCOME FUND?

A Flexible, Diverse Tool for Today’s Income Environment

The Fund is actively managed across a variety of asset classes, with flexible allocations to underlying subadvisors, direct investments and tactical hedging positions.

Global Credit and Fixed Income 50-80%
Corporate Credit, incl. High Yield
Emerging Markets Debt
Bank Loans
Structured Credit
Non-US Governments
Income-Oriented Equities 10-40%
High Dividend Stocks
Utilities
Infrastructure
REITs
MLPs



Alternatives 0-30%
Covered Call Strategies
Long/Short Strategies
Opportunistic
Hedging and Overlay 0-20%
Liquidity Management
Duration Management
Tactical Positioning
Risk Hedging

Alternative mutual funds often hold a variety of non-traditional investments, and also often employ more complex trading strategies than traditional mutual funds. Specifically, AC Alternatives Income Fund may invest in, among other securities, lower-rated debt securities; securities backed by other assets (like mortgages or auto loans); companies engaged in the real estate industry; and entities that must invest in energy infrastructure, financial services or real estate to obtain special tax status. The fund may invest in these strategies directly, through short positions (effectively borrowing and then selling a security with a future delivery date in hopes that it will decline in price in the interim), or through other derivatives, such as futures or options.

ABOUT PERELLA WEINBERG PARTNERS

American Century has engaged Perella Weinberg Partners LP (PWP) to identify and recommend subadvisors as well as to provide daily asset allocation among subadvisors, supplemented by their own direct investment management and hedging strategies. PWP is a global, independent advisory and asset management firm with approximately \$12.5* billion of commitments from institutional and private investors around the world. The firm is a private limited partnership with approximately 600 employees based in New York, London, Abu Dhabi, Denver, Dubai, and San Francisco. The PWP Agility platform was created to provide outsourced investment solutions for clients. The team has extensive experience and executes a proven and disciplined due diligence process to identify and invest with top managers across alternative and traditional asset classes.

*as of 12/31/2016

PWP allocates among subadvisors including:

 Arrowpoint Partners	 Good Hill Partners LP	 Bain Capital Credit
Invests opportunistically in the credit markets, with a focus on mitigating risk	Specializes in securitized credit such as asset-backed and mortgage-backed securities	Invests dynamically across high-yield bonds and bank loans with a deep research focus on security selection

AC Alternatives Income Team



Chris Bittman
 Portfolio Manager
 Perella Weinberg
 Partners Agility



Kent Muckel
 Portfolio Manager
 Perella Weinberg
 Partners Agility



Darren Myers
 Portfolio Manager
 Perella Weinberg
 Partners Agility

FUND PROFILE

Lipper Category	Alternative Credit Focus
Morningstar Category	Multialternative
Objective	Income. Capital appreciation secondary.
Benchmark	HFRX Fixed Income - Credit

You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained by visiting americancentury.com/ipro, contains this and other information about the fund, and should be read carefully before investing.

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than the original cost. Past performance is no guarantee of future results.

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Each of these alternative asset classes and investment strategies has unique risks typically making them more suitable for investors with an above average tolerance for risk or longer investment horizon. Specifically, among other risks, lower-rated debt securities may be subject to greater default and liquidity risk; asset-backed securities may be subject to prepayment, credit and default risk; real estate securities may be subject to changes in economic conditions and interest rates; and special tax entities may be subject to a change in tax status and the risks of concentrating in a particular region or industry.

In addition, these investments may be executed through investment strategies with unique risks. One of the risks of investing through short positions includes that the stock price will go up, exposing the short seller to potentially unlimited price risk. One of the risks of investing in derivatives is volatility. Specifically, derivatives investing can be typically executed for less than investing directly in the underlying asset. Small movements in the underlying asset's price, however, can result in significant volatility in the related derivative investment. In addition, most derivative investments involve a counterparty, which subjects the investment to the credit risk of each counterparty to a derivatives transaction.

Diversification does not assure a profit nor does it protect against loss of principal.

Key Terms: **Master Limited Partnerships (MLPs)** are publicly traded, generally higher yielding securities of enterprises that engage in certain businesses, usually pertaining to the use of natural resources. **Bank Loans** are variable-rate loans made by financial institutions to companies that are generally considered to have low credit quality. **Structured Credit Strategies** are bonds backed by a pool of assets, such as mortgage loans, structured into classes with varying maturities, payment schedules and levels of risk. **Covered Call Strategies** sell options on positions held long to generate increased income. An option is the right, but not obligation, to buy or sell a position at a specified price and date. **Long/Short Strategies** are a type of investment that takes long positions in securities that are expected to rise in value and short positions in those that are expected to decrease in value in an attempt to limit market exposure. **Liquidity Management** refers to the ability to meet cash and collateral obligations without incurring substantial losses. **Duration Management** refers to the ability to limit the price sensitivity of a bond or bond fund to changes in interest rates. **Risk Hedging** is taking opposite positions in assets in order to offset losses in periods of market stress. **Real estate investment trusts (REITs)** are securities that trade like stocks and invest in real estate through properties or mortgages.

The indices cited in this document are not investment products available for purchase. The HFRX Fixed Income - Credit Index serves as a daily-priced proxy for alternative strategies that provide exposure to credit strategies. Credit strategies refers to a wide range of sub-strategies and may include corporate, sovereign, distressed, asset-backed, capital structure arbitrage, and other relative value approaches. Strategies may also include and utilize equity securities, credit derivatives, commodities, or currencies.