



**USAA ULTRA SHORT-TERM BOND FUND**  
**Fund Shares (UUSTX), Institutional Shares (UUSIX),**  
**and R6 Shares (URUSX)**  
**SUPPLEMENT DATED JULY 1, 2019**  
**TO THE FUND'S PROSPECTUS**  
**DATED MAY 1, 2019**

This supplement describes important changes affecting the USAA Mutual Funds. Please review this important information carefully. At a special shareholder meeting held on April 18, 2019, shareholders of the USAA Ultra Short-Term Bond Fund (the “Fund”) approved a new investment advisory agreement between USAA Mutual Funds Trust, of which the Fund is a series, and Victory Capital Management Inc. (“Victory Capital”). Effective July 1, 2019, Victory Capital will replace USAA Asset Management Company (“AMCO”) as the Fund’s investment adviser and will begin managing the Fund. In addition, the transfer of certain affiliated services and related agreements, including administrative, distribution, and other related services agreements currently provided by AMCO or an affiliate of AMCO will transition to Victory Capital or an affiliate of Victory Capital. Effective immediately, references to Adviser and AMCO throughout the Prospectus shall refer to Victory Capital.

There are no material changes to the Fund’s investment objective or principal investment strategy. However, as a result of the new agreements, the Fund’s prospectus hereby is amended as follows:

1. All references to the telephone numbers (800) 531-USAA (8722) or (210) 531-8722 listed throughout the Fund’s prospectus hereby are deleted and replaced with the following telephone number: (800) 235-8396.
2. The Annual Fund Operating Expenses Table on page 1 hereby is deleted in its entirety and replaced with the following:

**Annual Fund Operating Expenses**  
*(expenses that you pay each year as a percentage of the value of your investment)*

	<b>Fund Shares</b>	<b>Inst. Shares</b>	<b>R6 Shares</b>
Management Fee	0.24% <sup>(a)</sup>	0.24% <sup>(a)</sup>	0.24% <sup>(a)</sup>
Distribution and/or Service (12b-1) Fee	None	None	None
Other Expenses	0.36%	0.55%	0.45%
<b>Total Annual Fund Operating Expenses</b>	0.60%	0.79% <sup>(b)</sup>	0.69%
Fee Waiver/Reimbursement	N/A	(0.24%)	(0.30%)
<b>Total Annual Fund Operating Expenses after Reimbursement</b>	0.60% <sup>(c)</sup>	0.55% <sup>(c)</sup>	0.39% <sup>(c)</sup>

<sup>(a)</sup> Victory Capital Management Inc. (the “Adviser”) has agreed that no performance adjustment (positive or negative) will be made to the amount payable to Victory Capital from July 1, 2019, through June 30, 2020. Thereafter, the management fee may fluctuate based on the Fund’s performance relative to a securities market index. See **Fund Management** section for a description of the performance adjustment.

<sup>(b)</sup> The expense information in the table has been restated to reflect current fees.

<sup>(c)</sup> The Adviser has contractually agreed to waive its management fee and/or reimburse expenses so that the total annual operating expenses (excluding certain items such as interest, taxes, and brokerage commissions) do not exceed 0.60% of the Fund Shares, 0.55% of the Institutional Shares, and 0.39% of the R6 Shares, through at least June 30, 2021. The Adviser is permitted to recoup advisory fees waived and expenses reimbursed for up to three years after the fiscal year in which the waiver or reimbursement took place, subject to the lesser of any operating expense limits in effect at the time of: (a) the original waiver or expense reimbursement; or (b) the recoupment, after giving effect to the recoupment amount. The amount of any waivers or reimbursements and the amount of any recoupment is calculated without regard to the impact of any performance adjustment to the Fund’s management fee. This agreement may only be terminated by the Fund’s Board of Trustees.

**3. The Example Table on page 2 hereby is deleted in its entirety and replaced with the following:**

**Example**

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. Although your actual costs may be higher or lower, you would pay the following expenses on a \$10,000 investment, assuming (1) a 5% annual return, (2) the Fund’s operating expenses remain the same, (3) you redeem all of your shares at the end of the periods shown, and (4) the expense limitation agreement for each class of shares is not continued beyond its expiration date.

	<b>1 Year</b>	<b>3 Year</b>	<b>5 Years</b>	<b>10 Years</b>
<b>Fund Shares</b>	\$61	\$192	\$335	\$750
<b>Inst. Shares</b>	\$56	\$203	\$390	\$932
<b>R6 Shares</b>	\$40	\$159	\$323	\$800

**4. The last paragraph under the section titled “Principal Risks” on page 4 hereby is deleted in its entirety and replaced with the following:**

An investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

**5. The disclosures under the sections titled “Investment Adviser” and “Portfolio Managers” on pages 6-7 hereby are deleted in their entirety and replaced with the following:**

**INVESTMENT ADVISER**

Effective July 1, 2019, Victory Capital Management Inc. (“Adviser”) serves as the Fund’s investment Adviser.

The portfolio managers primarily responsible for the day-to-day management of the Fund are members of the Adviser’s USAA Investments investment franchise. Prior to July 1, 2019, USAA Asset Management Company served as the Fund’s investment adviser.

**PORTFOLIO MANAGERS**

	<b>Title</b>	<b>Tenure with the Fund</b>
Douglas J. Rollwitz, CFA, CPA	Portfolio Manager	Since May 2018
Brian W. Smith, CFA, CPA	Portfolio Manager	Since May 2018
James F. Jackson, Jr.	Senior Portfolio Manager	Since July 2019
R. Neal Graves	Senior Portfolio Manager	Since July 2019

**6. The heading at the top of page 9 hereby is deleted in its entirety and replaced with the following:**

Victory Capital Management Inc. (“Victory Capital,” “Adviser,” or “Manager”) manages this Fund. For easier reading, Victory Capital may be referred to as “we” or “us” throughout the prospectus.

**7. The disclosure under the section titled “Fund Management” on pages 19-21 hereby is deleted in its entirety and replaced with the following:**

**FUND MANAGEMENT**

Effective July 1, 2019, Victory Capital Management Inc. (the “Adviser”) will serve as the investment adviser to the Fund pursuant to an investment advisory agreement. The Fund is one of 47 no-load mutual funds offered by USAA Mutual Funds Trust (the “Trust”). Prior to July 1, 2019, the Fund was managed by USAA Asset Management Company (“AMCO”), which the Adviser acquired as of that date. The Adviser oversees the operations of the Fund

according to investment policies and procedures adopted by the Trust's Board of Trustees. The Adviser is a New York corporation that is registered as an investment adviser with the Securities and Exchange Commission ("SEC"). As of March 31, 2019, the Adviser managed and advised assets totaling in excess of \$58.1 billion for individual and institutional clients. The Adviser's principal address is 4900 Tiedeman Road, 4<sup>th</sup> Floor, Brooklyn, Ohio 44144.

The Fund's Board of Trustees has the overall responsibility for overseeing the management of the Fund. A discussion regarding the basis of the Board's approval of the Fund's Advisory Agreement is available in the Fund's semiannual report to shareholders for the period ended June 30.

The Adviser is a multi-boutique asset manager comprised of multiple investment teams, referred to as investment franchises, each of which utilizes an independent approach to investment. USAA Investments, a Victory Capital investment franchise, is responsible for the day-to-day investment management of the Fund.

The Fund's investment management fee is comprised of a base investment management fee and a performance adjustment. The base investment management fee, which is accrued daily and paid monthly, is equal to an annualized rate of 0.24% of the Fund's average daily net assets.

The performance adjustment is calculated separately for each class of shares on a monthly basis and will be added to or subtracted from the base investment management fee depending upon the performance of the respective share class relative to the performance of a Lipper Index over the performance period. The performance adjustment for each class is calculated monthly by comparing the Fund's performance to that of the Lipper Ultra Short Obligations Funds Index, which measures the performance of funds tracked by Lipper that invest at least 65% of their assets in investment-grade debt issues, or better, and maintain a portfolio dollar-weighted average maturity between 91 days and 365 days. The performance period for each share class consists of the current month plus the previous 35 months (or the number of months beginning July 1, 2019, if fewer). The adjustment rate is determined as referenced in the following chart:

<b>Over/Under Performance Relative to Index (in basis points)<sup>1</sup></b>	<b>Annual Adjustment Rate (in basis points as a percentage of the Fund's average daily net assets)<sup>1</sup></b>
+/- 20 to 50	+/- 4
+/- 51 to 100	+/- 5
+/- 101 and greater	+/- 6

<sup>1</sup> Based on the difference between average annual performance of the relevant share class of the Fund and its relevant Lipper index, rounded to the nearest basis point. Average daily net assets of the relevant share class are calculated over a rolling 36-month period.

To determine the amount of the performance adjustment, the annual performance adjustment rate is multiplied by the average daily net assets of the Fund over the entire performance period, which then is multiplied by a fraction, the numerator of which is the number of days in the month and the denominator of which is 365 (366 in leap years). The resulting amount then is added to (in the case of overperformance) or subtracted from (in the case of underperformance) the base investment management fee.

Under the performance fee arrangement, the Fund will pay a positive performance fee adjustment for a performance period whenever the Fund outperforms the Lipper Ultra Short Obligations Funds Index over that period, even if the Fund had overall negative returns during the performance period.

For the fiscal year ended December 31, 2018, AMCO was paid the base investment management fee (0.24%) for all share classes and a performance adjustment for the Institutional Shares. The performance adjustment decreased the base investment management fee of 0.24% by 0.02% for the Institutional Shares. The Fund Shares and R6 Shares performance adjustments were less than 0.01% and less than (0.01%), respectively.

Under the investment advisory agreement with the Adviser that took effect on July 1, 2019, no performance adjustments will be made for the period beginning July 1, 2019, through June 30, 2020. Only performance beginning as of July 1, 2019, and thereafter will be utilized in calculating future performance adjustments.

The Adviser has contractually agreed to waive its management fee and/or reimburse expenses so that the total annual operating expenses (excluding acquired fund fees and expenses, any performance adjustment to the management fee, interest, taxes, brokerage commissions, other expenditures, which are capitalized in accordance with generally accepted accounting principles, and other extraordinary expenses) do not exceed 0.60% of the Fund Shares, 0.55% of the Institutional Shares, and 0.39% R6 Shares, through at least June 30, 2021. The Adviser is permitted to recoup advisory fees waived and expenses reimbursed for up to three years after the fiscal year in which the waiver or reimbursement took place, subject to the lesser of any operating expense limits in effect at the time of: (a) the original waiver or expense reimbursement; or (b) the recoupment, after giving effect to the recoupment amount. The amount of any waivers or reimbursements and the amount of any recoupment is calculated without regard to the impact of any performance adjustment to the Fund's management fee. This waiver agreement may only be terminated by the Fund's Board of Trustees.

In addition to providing investment management services, the Adviser also provides administration and servicing to the Fund. Victory Capital Advisers, Inc. acts as the Fund's distributor, and Victory Capital Transfer Agency, Inc., (formerly, USAA Shareholder Account Services) provides transfer agency services to the Fund. The Fund or the Fund's distributor or transfer agent may enter into agreements with third parties (Servicing Agents) to pay such Servicing Agents for certain administrative and servicing functions.

The Fund is authorized, although the Adviser has no present intention of utilizing such authority, to use a "manager-of-managers" structure. The Adviser could select (with approval of the Board and without shareholder approval) one or more subadvisers to manage the day-to-day investment of the Fund's assets. The Adviser would monitor each subadviser's performance through quantitative and qualitative analysis and periodically report to the Board as to whether each subadviser's agreement should be renewed, terminated, or modified. The Adviser also would be responsible for determining how the Fund's assets should be allocated to the subadvisers. The allocation for each subadviser could range from 0% to 100% of the Fund's assets, and the Adviser could change the allocations without shareholder approval.

- 8. The reference to Anthony M. Era, Jr. under the section titled "Portfolio Managers" on page 21 hereby is deleted. As of the date of this supplement, Mr. Era will no longer manage the Fund.**
- 9. The disclosure under the section titled "Portfolio Managers" on pages 21-22 hereby is deleted in its entirety and replaced with the following:**

**Douglas J. Rollwitz**, CFA, CPA, Victory Capital Portfolio Manager—USAA Investments, A Victory Capital Investment Franchise, has co-managed the Fund since May 2018. Mr. Rollwitz has 19 years of investment management experience and has worked for 22 years with AMCO, which was acquired by the Adviser's parent company in 2019. Education: B.B.A., University of Texas at San Antonio; M.B.A., University Texas at Arlington. He holds the CFA designation and is a member of the CFA Institute and the San Antonio Financial Analysts Society.

**Brian W. Smith**, CFA, CPA, Victory Capital Portfolio Manager—USAA Investments, A Victory Capital Investment Franchise, has co-managed the Fund since May 2018. Mr. Smith has 19 years of investment management experience and has worked for 33 years with AMCO, which was acquired by the Adviser's parent company in 2019. Education: B.B.A., University of Texas at San Antonio; M.B.A., University of Texas at San Antonio. He holds the CFA designation and is a member of the CFA Institute and the CFA Society of San Antonio.

**James F. Jackson, Jr.**, CFA, Victory Capital Senior Portfolio Manager and Head of Fixed Income Portfolio Management—USAA Investments, A Victory Capital Investment Franchise, has co-managed the Fund since July 2019. Mr. Jackson has 19 years of investment management experience including 10 years with AMCO, which was acquired by the Adviser's parent company in 2019. Education: M.B.A. with High Distinction, Ross School of Business, University of Michigan and a B.S., United States Naval Academy. He holds the CFA designation and is a member of the CFA Institute and the CFA Society of San Antonio.

**R. Neal Graves**, CFA, CPA, Victory Capital Senior Portfolio Manager—USAA Investments, A Victory Capital Investment Franchise, has co-managed the Fund since July 2019. Mr. Graves has 25 years of finance related experience including 19 years of investment management experience with AMCO, which was acquired by the

Adviser's parent company in 2019. Education: Master's in professional accounting, University of Texas at Austin and a B.B.A., University of Texas at Austin. He holds the CFA designation and is a member of the CFA Institute and the CFA Society of San Antonio.

**10. The first paragraph under the subsection "Opening an Account with the Fund" under the section titled "Purchases" on page 22 hereby is deleted and replaced with the following:**

You may purchase shares in an investment account or through certain financial intermediaries as described below. You may call toll free at (800) 235-8396, Monday through Friday, 7:30 a.m. to 8 p.m., and Saturday, 8 a.m. to 5 p.m., Central time, to inquire about opening an account with us. If you already have an account with us, you will not need to fill out another application to invest in another fund of the USAA Funds unless the registration is different or we need further information to verify your identity.

**11. The first sentence under the subsection titled "Payment" under the section titled "Purchases" on pages 25-26 hereby is deleted and replaced with the following:**

If you hold an account directly with the Fund and you plan to purchase shares from us with a check, the instrument must be written in U.S. dollars and drawn on a U.S. bank. In addition, initial purchases into an account by electronic funds transfer or check may be held for up to 30 days before any redemptions may be processed.

**12. All references to "USAA investment account" in the prospectus hereby are amended to reflect "an investment account."**

**13. All references to "USAA Funds" in the prospectus hereby are amended to reflect "affiliated Funds."**

**14. The last sentence of the third paragraph under the subsection titled "Redeeming Shares" under the section titled "Redemptions" on page 27 hereby is deleted and replaced with the following:**

Payment for redemption of shares purchased by electronic funds transfer (EFT) or check will be sent after the EFT or check has cleared, which could take up to 30 days from the initial purchase date into a fund and seven days from the purchase date.

**15. The subsection titled "Contacting USAA" under the section titled "Other Important Information About Purchases, Redemptions, and Exchanges" on page 30 hereby is amended to reflect "Contacting the USAA Funds."**

**16. All references to "USAA Transfer Agency Company (d/b/a USAA Shareholder Account Services ("SAS"))" in the prospectus hereby are amended to reflect "Victory Capital Transfer Agency, Inc."**

**17. The disclosure under the subsection titled "IRA Distribution Fee" under the section titled "Other Important Information About Purchases, Redemptions, and Exchanges" on page 31 hereby is deleted in its entirety and replaced with the following:**

The Fund may apply a distribution fee to all full IRA distributions, except for those due to death, disability, or divorce. Partial IRA distributions are not charged a distribution fee.

**18. The second, sixth, and seventh paragraphs under the subsection titled "Valuation of Securities" under the section titled "Shareholder Information" on pages 35-36 hereby are deleted in their entirety and replaced with the following:**

Debt securities are valued each business day by a pricing service (the "Service") approved by the Board. The Service uses evaluated bid or the last sales price to price securities when, in the Service's judgment, these prices are readily available and are representative of the securities' market values. For many securities, such prices are not readily available. The Service generally prices these securities based on methods that include consideration of yields or prices of securities of comparable quality, coupon, maturity, and type; indications as to values from dealers in securities; and general market conditions.

Futures contracts are valued at the settlement price at the close of market on the principal exchange on which they are traded or, in the absence of any transactions that day, the values are based upon the settlement price on the prior trading date.

Options contracts are valued at the mean between the last bid and ask prices. Options on futures are valued at the settlement price determined by the applicable exchange.

**PLEASE RETAIN THIS SUPPLEMENT FOR YOUR FUTURE REFERENCE.**

Victory Capital means Victory Capital Management Inc., the investment manager of the USAA Mutual Funds. USAA Mutual Funds are distributed by Victory Capital Advisers, Inc., a broker dealer registered with FINRA and an affiliate of Victory Capital. Victory Capital and its affiliates are not affiliated with United Services Automobile Association or its affiliates. USAA and the USAA logos are registered trademarks and the USAA Mutual Funds and USAA Investments logos are trademarks of United Services Automobile Association and are being used by Victory Capital and its affiliates under license.

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## **PROSPECTUS**

### **USAA ULTRA SHORT-TERM BOND FUND**

FUND SHARES (UUSTX) ■ INSTITUTIONAL SHARES (UUSIX) ■ R6 SHARES (URUSX)

**MAY 1, 2019**

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on [usaa.com](http://usaa.com), and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change; and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically by notifying your financial intermediary directly, or if you are a direct investor, by calling (800) 531-USAA (8722) or logging on to [usaa.com](http://usaa.com).

You may elect to receive all future reports in paper free of charge. You can inform the Fund or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by notifying your financial intermediary directly, or if you are a direct investor, by calling (800) 531-USAA (8722) or logging on to [usaa.com](http://usaa.com). Your election to receive reports in paper will apply to all funds held with the USAA family of funds or your financial intermediary.

The Fund is comprised of multiple classes of shares. The Securities and Exchange Commission has not approved or disapproved of this Fund's shares or determined whether this prospectus is accurate or complete. Anyone who tells you otherwise is committing a crime.

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# INVESTMENT OBJECTIVE

The **USAA Ultra Short-Term Bond Fund** (the Fund) seeks to provide high current income consistent with preservation of principal.

## FEES AND EXPENSES

The tables below describe the fees and expenses that you may pay, directly and indirectly, to invest in the Fund. The annual fund operating expenses for the Fund Shares, Institutional Shares, and R6 Shares are based on expenses incurred during the Fund's most recently completed fiscal year.

### Shareholder Fees

(fees paid directly from your investment)

	Fund Shares	Inst. Shares	R6 Shares
	None	None	None

### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Fund Shares	Inst. Shares	R6 Shares
Management Fee (fluctuates based on the Fund's performance relative to a securities market index)	0.24%	0.22%	0.24%
Distribution and/or Service (12b-1) Fees	None	None	None
Other Expenses	0.36%	0.55%	0.45%
<b>Total Annual Fund Operating Expenses</b>	<b>0.60%</b>	<b>0.77%</b>	<b>0.69%</b>
Reimbursement from Adviser	N/A	(0.22%) <sup>(a)</sup>	(0.30%) <sup>(a)</sup>
<b>Total Annual Fund Operating Expenses after Reimbursement</b>	<b>0.60%</b>	<b>0.55%</b>	<b>0.39%</b>

<sup>(a)</sup> The Investment Adviser has agreed, through April 30, 2020, to make payments or waive management, administration, and other fees to limit the expenses of the Institutional Shares and the R6 Shares of the Fund so that the Total Annual Fund Operating Expenses (exclusive of expense offset arrangements, acquired fund fees and expenses, and extraordinary expenses) do not exceed an annual rate of 0.55% and 0.39% of the Institutional Shares' and the R6 Shares' average daily net assets, respectively. This reimbursement arrangement may not be changed or terminated during this time period without approval of the Fund's Board of Trustees and may be changed or terminated by the Investment Adviser any time after April 30, 2020.

## Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. Although your actual costs may be higher or lower, you would pay the following expenses on a \$10,000 investment, assuming (1) a 5% annual return, (2) the Fund's operating expenses remain the same, (3) you redeem all of your shares at the end of the periods shown, and (4) the expense reimbursement arrangement for the Institutional Shares and R6 Shares is not continued beyond one year.

	1 Year	3 Years	5 Years	10 Years
<b>Fund Shares</b>	\$61	\$192	\$335	\$750
<b>Inst. Shares</b>	\$56	\$224	\$406	\$934
<b>R6 Shares</b>	\$40	\$191	\$354	\$830

## Portfolio Turnover

The Fund pays transaction costs, including commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when shares of the Fund are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Example, affect the Fund's performance.

For the most recent fiscal year, the Fund's portfolio turnover rate was 48% of the average value of its whole portfolio.

# PRINCIPAL INVESTMENT STRATEGY

The Fund's principal investment strategy is normally to invest at least 80% of the Fund's assets in investment-grade debt securities that have a dollar-weighted average portfolio maturity of 18 months (one and a half years) or less. The Fund will invest primarily in U.S. dollar-denominated debt securities that may include, but are not limited to, obligations of U.S., state, and local governments, their agencies and instrumentalities; mortgage- and asset-backed securities; corporate debt securities; repurchase agreements; and other securities believed to have debt-like characteristics. This 80% policy may be changed upon at least 60 days' written notice to shareholders.

# PRINCIPAL RISKS

Any investment involves risk, and there is no assurance that the Fund's objective will be achieved. The Fund is actively managed and the investment techniques and risk analyses used by the Fund's manager(s) may not produce the desired results. As you consider an investment in the Fund, you also

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should take into account your tolerance for the daily fluctuations of the financial markets and whether you can afford to leave your money in the Fund for long periods of time to ride out down periods. As with other mutual funds, losing money is a risk of investing in the Fund.

The fixed-income securities in the Fund's portfolio are subject to credit risk, which is the possibility that an issuer of a fixed-income security will fail to make timely interest and/or principal payments on its securities or that negative market perceptions of the issuer's ability to make such payments will cause the price of that security to decline. The Fund accepts some credit risk as a recognized means to enhance an investor's return. All fixed-income securities, varying from the highest quality to the very speculative, have some degree of credit risk. Fixed-income securities rated below investment grade, also known as "junk" or high-yield bonds, generally entail greater economic, credit, and liquidity risk than investment-grade securities. Their prices may be more volatile, especially during economic downturns, financial setbacks, or liquidity events.

The Fund is subject to the risk that the market value of the bonds in its portfolio will fluctuate because of changes in interest rates, changes in the supply of and demand for debt securities, and other market factors. Bond prices generally are linked to the prevailing market interest rates. In general, when interest rates rise, bond prices fall; conversely, when interest rates fall, bond prices rise. The price volatility of a bond also depends on its duration. Generally, the longer the duration of a bond, the greater its sensitivity to interest rates. To compensate investors for this higher interest rate risk, bonds with longer durations generally offer higher yields than bonds with shorter durations. Because the Federal Reserve has begun to raise interest rates, the Fund may face a heightened level of interest rate risk. The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.

The Fund is subject to legislative risk, which is the risk that changes in government policies may affect the value of the investments held by the Fund in ways we cannot anticipate, and that such policies could have an adverse impact on the value of the Fund's investments and the Fund's net asset value (NAV).

The risk of investing in securities that generally are less liquid than higher-quality securities is referred to as liquidity risk. The market for lower-quality issues generally is less liquid than the market for higher-quality issues. Therefore, large purchases or sales could cause sudden and significant price changes in these securities. Many lower-quality issues do not trade frequently; however, when they do trade, the trade price may be substantially higher or lower than expected.

The Fund is subject to prepayment and extension risk. The Fund can invest in mortgage-backed securities. These securities make regularly scheduled payments of principal along with interest payments. In addition, mortgagors

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generally have the option of paying off their mortgages without penalty at any time. For example, when a mortgaged property is sold, the old mortgage is usually prepaid. Also, when interest rates fall, the mortgagor may refinance the mortgage and prepay the old mortgage. A homeowner's default on the mortgage also may cause a prepayment of the mortgage. This unpredictability of the mortgage's cash flow is called prepayment risk. For the investor, prepayment risk usually means that principal is received at the least opportune time. For example, when interest rates fall, homeowners may find it advantageous to refinance their mortgages and prepay principal. In this case, the investor is forced to reinvest the principal at the current lower rate. On the other hand, when interest rates rise, homeowners generally will not refinance their mortgages and prepayments will fall. This causes the average life of the mortgage to extend and be more sensitive to interest rates, which sometimes is called extension risk. In addition, the amount of principal the investor has to invest in these higher interest rates is reduced.

An investment in the Fund is not a deposit in USAA Federal Savings Bank, or any other bank, and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

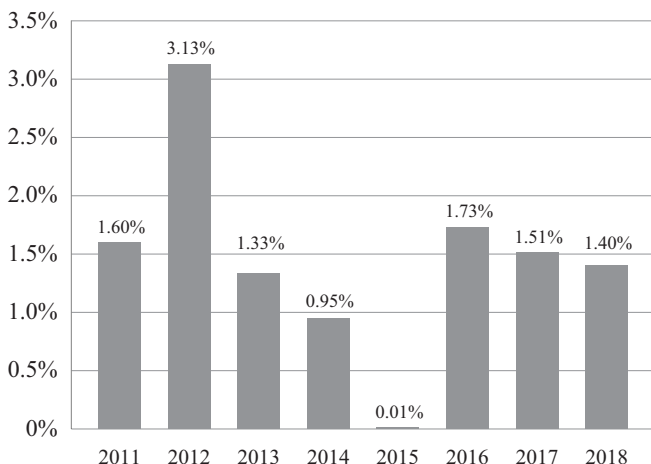
## PERFORMANCE

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The Fund has three classes of shares: Fund Shares, Institutional Shares, and R6 Shares. The bar chart provides some indication of the risks of investing in the Fund and illustrates the Fund Shares class's volatility and performance from year to year for each full calendar year since the Fund's inception. The table shows how the average annual total returns of the share classes for the periods indicated compared to those of the Fund's benchmark index and an additional index of funds with similar investment objectives. Performance reflects any expense limitations in effect during the periods shown.

Remember, historical performance (before and after taxes) does not necessarily indicate what will happen in the future. For the Fund's most current performance information, log on to [usaa.com](http://usaa.com) or call (800) 531-USAA (8722) or (210) 531-8722.

## RISK/RETURN BAR CHART

### Annual Returns for Periods Ended December 31



<b>During the periods shown in the chart:</b>	<b>Returns</b>	<b>Quarter ended</b>
Highest Quarter Return	1.01%	March 31, 2012
Lowest Quarter Return	-0.38%	September 30, 2015
Year-to-Date Return	1.57%	March 31, 2019

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. In certain situations, the return after taxes on distributions and sale of fund shares may be higher than the other return amounts. A higher after-tax return may result when a capital loss occurs upon redemption and translates into an assumed tax deduction that benefits the shareholder. The actual after-tax returns depend on your tax situation and may differ from those shown. If you hold your shares through a tax-deferred arrangement, such as an individual retirement account (IRA) or 401(k) plan, the after-tax returns shown in the table are not relevant to you. Please note that after-tax returns are only shown for the Fund Shares and may differ for each share class.

## AVERAGE ANNUAL TOTAL RETURNS For Periods Ended December 31, 2018

	Past 1 Year	Past 5 Years	Since Inception	Inception Date
<b>Fund Shares</b>				
Return Before Taxes	1.40%	1.12%	1.41%	10/18/2010
Return After Taxes on Distributions	0.50%	0.46%	0.78%	
Return After Taxes on Distributions and Sale of Fund Shares	0.83%	0.56%	0.81%	
<b>Institutional Shares</b>				
Return Before Taxes	1.46%	1.12%	1.19%	7/12/2013
<b>R6 Shares</b>				
Return Before Taxes	1.51%	–	1.60%	3/1/2017
<b>Indexes</b>				
Citigroup 3-Month U.S. Treasury Bill Index (reflects no deduction for fees, expenses, or taxes)	1.86%	0.60%	0.38%	10/18/2010*
Lipper Ultra Short Obligations Funds Index (reflects no deduction for taxes)	1.74%	1.08%	0.96%	10/18/2010*

\* The average annual total return for the Citigroup 3-Month U.S. Treasury Bill Index and Lipper Ultra Short Obligations Funds Index from July 12, 2013, the inception date of the Institutional Shares, through December 31, 2018, was 0.56% and 1.07%, respectively. The average annual total return for the Citigroup 3-Month U.S. Treasury Bill Index and Lipper Ultra Short Obligations Funds Index from March 1, 2017, the inception date of the R6 Shares, through December 31, 2018, was 1.50% and 1.57%, respectively.

## INVESTMENT ADVISER

USAA Asset Management Company (“AMCO” or “Adviser”)

On November 6, 2018, United Services Automobile Association (“USAA”), the parent company of AMCO, the investment adviser to the Funds, and of USAA Transfer Agency Company (d/b/a USAA Shareholder Account Services (“SAS”)), the transfer agent to the Funds, announced that AMCO and SAS would be acquired by Victory Capital Holdings, Inc., a global investment management firm headquartered in Cleveland, Ohio (the “Transaction”). The closing of the Transaction is expected to be completed on or about the end of the second quarter of 2019, pending satisfaction of certain closing conditions and approvals, including certain approvals of the Funds’ Board of Trustees and of Fund shareholders at a special shareholder meeting, which was held on April 18, 2019.

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The Transaction is not expected to result in any material changes to the Fund's respective investment objectives and principal investment strategies.

The Funds filed a definitive proxy statement on February 21, 2019, in which shareholders were asked: (1) to approve a new investment advisory agreement between the Trust, on behalf of each Fund, and Victory Capital Management Inc.; and (2) to elect two new nominees to the Board of Trustees of the Trust. Additional information regarding the proposals voted on at the special shareholder meeting are provided in the proxy statement.

## PORTFOLIO MANAGERS

Anthony M. Era, Jr., CFA, Vice President, Money Market Funds, managed the Fund from its inception in October 2010 through April 2018, and has co-managed the Fund since May 2018.

Douglas J. Rollwitz, CFA, CPA, Assistant Investment Portfolio Manager, has co-managed the Fund since May 2018.

Brian W. Smith, CFA, CPA, Assistant Vice President, Mutual Fund Portfolios, has co-managed the Fund since May 2018.

## PURCHASE AND SALE OF SHARES

### Fund Shares:

You may purchase or sell Fund Shares through a USAA investment account on any business day through our website at [usaa.com](http://usaa.com) or [mobile.usaa.com](http://mobile.usaa.com), or by telephone at (800) 531-USAA (8722) or (210) 531-8722. You also may purchase or sell Fund Shares through certain other financial intermediaries. If you have opened an account directly with the Fund, you also may purchase and sell Fund Shares by mail at P.O. Box 659453, San Antonio, Texas 78265-9825.

- **Minimum initial purchase:** \$3,000
- **Minimum subsequent investment:** \$50

### Institutional Shares:

The Institutional Shares are not offered for sale directly to the general public. The minimum initial purchase is \$1 million; however, the Fund reserves the right to waive or lower purchase minimums in certain circumstances.

### R6 Shares:

R6 Shares generally are available only through employer-sponsored retirement plans where a financial intermediary provides retirement recordkeeping services to plan participants. R6 Shares also are available to endowment funds and foundations. There is no minimum initial investment amount or minimum

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subsequent investment for R6 Shares. Please contact your plan administrator or recordkeeper to purchase or sell (redeem) shares from your retirement plan.

## **TAX INFORMATION**

The Fund intends to make distributions that generally will be taxed to you as ordinary income or long-term capital gains, unless you are a tax-exempt investor or you invest through an IRA, 401(k) plan, or other tax-deferred account (in which case you may be taxed later, upon withdrawal of your investment from such account).

## **PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of such shares and certain servicing and administrative functions for investments in all classes except the R6 Shares. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.



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**USAA Asset Management Company (AMCO, Adviser, or Manager) manages this Fund. For easier reading, AMCO may be referred to as “we” or “us” throughout the prospectus.**

## **INVESTMENT OBJECTIVE**

### **■ What is the Fund’s investment objective?**

The Fund seeks to provide high current income consistent with preservation of principal. The Fund’s Board of Trustees (the Board) may change the investment objective without shareholder approval.

## **MORE INFORMATION ON THE FUND’S INVESTMENT STRATEGY**

### **■ What is the Fund’s investment strategy?**

Under normal market conditions the Fund invests at least 80% of its assets in investment-grade debt securities that have a dollar-weighted average portfolio maturity of 18 months (one and a half years) or less. This 80% policy may be changed upon at least 60 days’ written notice to shareholders.

In addition to the principal investment strategy discussed above, the Fund may seek to earn additional income through securities lending.

### **■ What types of debt securities may be included in the Fund’s portfolio?**

The Fund will invest primarily in U.S. dollar-denominated debt securities that may include, but are not limited to, obligations of U.S., state, and local governments, their agencies and instrumentalities; mortgage- and asset-backed securities; corporate debt securities; repurchase agreements; and other securities believed to have debt-like characteristics. We independently assess credit risk and its impact on the Fund’s portfolio when evaluating potential investments for the Fund.

The Fund also may use derivatives, such as futures, options, and swaps, to increase or decrease its exposure to changing security prices or other factors that affect security values, in an effort to enhance income, to protect the value of portfolio securities, or to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the market.

In order to implement its investment strategy, the Fund may invest in shares of affiliated or other investment companies, including exchange-traded funds (ETFs). The Fund may rely on Securities and Exchange Commission (SEC) exemptive orders or rules that permit funds meeting various conditions to invest in an ETF in amounts exceeding limits set forth in the Investment Company Act of 1940, as amended, that would otherwise be applicable.

By diversifying the Fund’s portfolio through investing in securities of a large number of unrelated issuers, we attempt to reduce the Fund’s exposure to the risks of an investment in the securities of any one issuer or group of issuers. Certain bond and money market instruments, such as collateralized mortgage obligations (CMOs), commercial mortgage-backed securities (CMBSs), interest-only CMBS securities (CMBS IOs), periodic auction reset bonds, loan interests and direct debt instruments, Eurodollar and Yankee obligations, and synthetic securities are subject to special risks that are described in the Statement of Additional Information (SAI).

The Fund is limited to 20% of its net assets invested in preferred, hybrid, and convertible securities.

### ■ What is the credit quality of the debt securities?

The Fund will invest primarily in investment-grade securities, which include securities issued or guaranteed by the U.S. government, its agencies and instrumentalities, as well as securities rated or subject to a guarantee that is rated within the categories listed by at least one of the Nationally Recognized Statistical Rating Organizations (NRSROs) approved by the SEC, or unrated securities determined by the Adviser to be of comparable investment quality at the time of purchase. Below are the investment-grade ratings for four of the current NRSROs:

Rating Agency	Long-Term Debt Securities	Short-Term Debt Securities
Moody’s Investors Service, Inc.	At least Baa3	At least Prime-3 or MIG 3/VMIG 3
S&P Global Ratings	At least BBB –	At least A-3 or SP-2
Fitch Ratings Inc.	At least BBB –	At least F3
Dominion Bond Rating Service Limited	At least BBB low	At least R-2 low

In addition, the Fund may invest up to 10% of its net assets in securities that at the time of purchase are below-investment-grade securities, which are sometimes referred to as high-yield or “junk” bonds. Below-investment-grade securities are considered speculative and are subject to significant credit risk, because they are believed to represent a greater risk of default than more creditworthy investment-grade securities. These lower-quality securities generally have less interest rate risk and higher credit risk than higher-quality securities. At the same time, the volatility of below-investment-grade securities historically has been notably less than that of the equity market as a whole. The market on which below-investment-grade securities are traded also may be less liquid than the market for investment-grade securities.

You will find more information about the above debt ratings in the Fund’s SAI.

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## ■ How are the decisions to buy and sell securities made?

We search for securities that represent value at the time of purchase given current market conditions. Value takes into consideration a combination of factors, including yield, credit quality, structure (maturity, coupon, and redemption features), and liquidity. We recognize value by simultaneously analyzing the interaction of these factors among the securities available in the market. We will sell a security if we become concerned about its credit risk, we are forced by market factors to raise money, or an attractive replacement is available.

## TEMPORARY DEFENSIVE STRATEGY

The Fund may, from time to time, take temporary defensive positions that are inconsistent with the Fund's principal investment strategies in attempting to respond to adverse market, economic, political, or other conditions. The effect of taking such a temporary defensive position is that the Fund may not achieve its investment objective.

## RISKS

**Asset-Backed and Mortgage-Backed Securities Risk:** Asset-backed securities represent interests in pools of mortgages, loans, receivables, or other assets. Mortgage-backed securities are a type of asset-backed security that represent direct or indirect participations in, or are collateralized by and payable from, mortgage loans secured by real property. Payment of interest and repayment of principal may be largely dependent upon the cash flows generated by the assets backing the securities and, in certain cases, supported by letters of credit, surety bonds, or other credit enhancements.

Asset-backed securities differ from conventional debt securities because principal is paid back over the life of the security rather than at maturity. The Fund may receive unscheduled prepayments of principal before the security's maturity date due to voluntary prepayments, refinancings, or foreclosures on the underlying mortgage loans. To the Fund, this means a loss of anticipated interest and a portion of its principal investment represented by any premium the Fund may have paid. Generally, rising interest rates tend to extend the duration of fixed-rate mortgage-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, if the Fund holds mortgage-backed securities, it may exhibit additional volatility. This is known as extension risk. In addition, adjustable and fixed-rate mortgage-backed securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of the Fund because it may have to reinvest that money at the lower prevailing interest rates. The Fund's investments in other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as additional risks associated with the nature of the assets and the servicing of those assets. Asset-backed securities

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may not have the benefit of a security interest in collateral comparable to that of mortgage assets, resulting in additional credit risk. In the event of a default, the Fund may suffer a loss if it cannot sell collateral quickly and receive the amount it is owed. Asset-backed securities also may be subject to increased volatility and may become illiquid and more difficult to value even when there is no default or threat of default due to market conditions impacting asset-backed securities more generally.

Asset-backed security values also may be affected by other factors including the availability of information concerning the pool and its structure, the creditworthiness of the servicing agent for the pool, the originator of the loans or receivables, or the entities providing the credit enhancement.

If the Fund purchases asset-backed or mortgage-backed securities that are “subordinated” to other interests in the same pool of assets, the Fund as a holder of those securities may only receive payments after the pool’s obligations to other investors have been satisfied. For example, an unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool’s ability to make payments of principal or interest to the Fund as a holder of such subordinated securities, reducing the values of those securities or in some cases rendering them worthless. Certain mortgage-backed securities may include securities backed by pools of mortgage loans made to “subprime” borrowers or borrowers with blemished credit histories; the risk of defaults generally is higher in the case of mortgage pools that include such subprime mortgages. Moreover, instability in the markets for mortgage-backed and asset-backed securities, as well as the perceived financial strength of the issuer and specific restrictions on resale of the securities, may affect the liquidity of such securities, which means that it may be difficult (or impossible) to sell such securities at an advantageous time and price. As a result, the value of such securities may decrease and the Fund may have to hold these securities longer than it would like, forgo other investment opportunities, or incur greater losses on the sale of such securities than under more stable market conditions. Furthermore, instability and illiquidity in the market for lower-rated mortgage-backed and asset-backed securities may affect the overall market for such securities, thereby impacting the liquidity and value of higher-rated securities. This lack of liquidity may affect the Fund’s NAV and total return adversely during the time the Fund holds these securities.

**Credit Risk:** Credit risk is the possibility that an issuer of a fixed-income security will fail to make timely interest and principal payments on its securities or that negative market perceptions of the issuer’s ability to make such payments will cause the price of that security to decline. All fixed-income securities varying from the highest quality to the very speculative have some degree of credit risk. The Fund accepts some credit

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risk as a recognized means to enhance investors' return. To the extent the Fund invests in government securities, credit risk will be limited.

When evaluating potential investments for the Fund, our analysts independently assess credit risk and its potential impact on the Fund's portfolio. In addition, credit rating agencies may provide estimates of the credit quality of the securities. The ratings may not take into account every risk that interest or principal will be repaid on a timely basis. Lower credit ratings typically correspond to higher perceived credit risk and higher credit ratings typically correspond to lower perceived credit risk. Credit ratings do not provide assurance against default or other loss of money. We attempt to minimize the Fund's overall credit risk by primarily investing in fixed-income securities considered at least investment grade at the time of purchase. We also attempt to minimize the Fund's overall credit risk by diversifying the Fund's investments across many securities with slightly different risk characteristics and across different economic sectors and geographic regions. If a random credit event should occur, such as a default, the Fund generally would suffer a smaller loss than if the Fund were concentrated in relatively large holdings with highly correlated risks.

**Derivatives Risk:** The Fund may invest in futures, options, swaps, and other types of derivatives. Risks associated with derivatives include the risk that the derivative is not well-correlated with the security, index, exchanged-traded funds (ETFs), or currency to which it relates; the risk that derivatives used for risk management may not have the intended effects and may result in losses, underperformance, or missed opportunities; the risk that the Fund will be unable to sell the derivative because of an illiquid secondary market; the risk that a counterparty is unwilling or unable to meet its obligation; the risk of interest rate movements; and the risk that the derivatives transaction could expose the Fund to the effects of leverage, which could increase the Fund's market exposure, magnify investment risks and losses, and cause losses to be realized more quickly. In addition, proposed and current regulation may limit the Fund's ability to invest in derivatives. There is no guarantee that derivative techniques will be employed or that they will work as intended, and their use could lower returns or even result in losses to the Fund.

**ETFs Risk:** ETFs, which generally are registered investment companies, incur their own management fees and other expenses, such as trustees' fees, operating expenses, registration fees, and marketing expenses, a proportionate share of which would be borne by the Fund. As a result, an investment by the Fund in an ETF could cause the Fund's operating expenses to be higher and, in turn, its performance to be lower than if it were to invest directly in the securities held by the ETF. In addition, the Fund will be exposed indirectly to all of the risks of the securities held by the ETFs.

The Fund may invest in "passive" ETFs that invest in the securities and sectors contained in the indexes they seek to track without regard for or analysis of the prospects of such securities or sectors. An ETF may invest in all of the securities in an index or in a representative sample of such

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securities. Passive ETFs will not attempt to take defensive positions in volatile or declining markets or under other conditions. Furthermore, such ETFs will not be able to duplicate exactly the performance of the underlying indexes they track.

The price of an ETF is determined by supply and demand. Thus, ETFs do not necessarily trade at their NAV. The Fund will value any ETF in its portfolio at the ETF's last sale or closing market price, which typically approximates its NAV, although there may be times when the market price and NAV vary to a greater extent, which could affect the performance of the Fund.

In addition, although ETFs generally are listed on securities exchanges, there can be no assurances that an active trading market for such ETFs will be maintained. Secondary market trading in ETFs also may be halted by a national securities exchange because of market conditions or for other reasons. There can be no assurances that the requirements necessary to maintain the listing of an ETF on a national securities exchange will continue to be met or will remain unchanged.

**Futures and Options Risk:** Risks associated with investments in futures and options include the risk that the futures or options contract will not fully offset the underlying position and that the investments in futures and options used for risk management may not have the intended effects and may result in losses or missed opportunities. The risk of loss of money from futures contracts and options on futures contracts used for non-hedging purposes may be greater than that of investments for hedging purposes.

**Impact of Activity by Other Shareholders:** The Fund, like all mutual funds, pools the investments of many investors. Actions by one shareholder or multiple shareholders may have an impact on the Fund and, therefore, indirectly on other shareholders. For example, significant levels of new investments in the Fund by shareholders may cause the Fund to have more cash than would otherwise be the case, which might have a positive or negative impact on Fund performance. Similarly, redemption activity might cause the Fund to sell portfolio securities, which might generate a capital gain or loss, or cause it to borrow funds on a short-term basis to cover redemptions, which would cause the Fund to incur costs that, in effect, would be borne by all shareholders, not just the redeeming shareholders. Shareholder purchase and redemption activity also may affect the per share amount of the Fund's distributions of its net investment income and net realized capital gains, if any, thereby affecting the tax burden on the Fund's shareholders subject to federal income tax.

To the extent a larger shareholder (including, for example, a USAA fund-of-funds or 529 college savings plan) is permitted to invest in the Fund, the Fund may experience large inflows or outflows of cash from time to time. This could have adverse effects on the Fund's performance if the Fund were

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required to sell securities or invest cash at times when it otherwise would not do so. This activity also could accelerate the realization of capital gains and increase the Fund's transaction costs.

**Interest Rate Risk:** The Fund is subject to the risk that the market value of the bonds in its portfolio will fluctuate because of changes in interest rates, changes in supply of and demand for investment securities, or other market factors. Bond prices generally are linked to the prevailing market interest rates. In general, when interest rates rise, bond prices fall; and conversely, when interest rates fall, bond prices rise. The price volatility of a bond also depends on its duration. Duration is a measure that relates the expected price volatility of a bond to changes in interest rates. The duration of a bond may be shorter than or equal to the full maturity of a bond. Generally, the longer the duration of a bond, the greater is its sensitivity to interest rates. Bonds with longer durations have more risk and will decrease in price as interest rates rise. For example, a bond with a duration of three years will decrease in value by approximately 3% if interest rates increase by 1%. To compensate investors for this higher interest rate risk, bonds with longer durations generally offer higher yields than bonds with shorter durations.

- **If interest rates increase**, the yield of the Fund may increase and the market value of the Fund's securities may decline, adversely affecting the Fund's NAV and total return.
- **If interest rates decrease**, the yield of the Fund may decrease and the market value of the Fund's securities may increase, which may increase the Fund's NAV and total return.

Although governmental financial regulators, including the U.S. Federal Reserve (the Fed), have taken steps to maintain historically low interest rates, the Fed has recently increased interest rates. It is possible there will be less governmental action in the future to maintain low interest rates, or that action will be taken to raise interest rates further, which may have unpredictable effects on markets and the Fund's investments. Thus, the Fund currently faces a heightened level of interest rate risk.

The Fed's policy changes and related market speculation as to the timing of potential interest rate increases may expose fixed-income markets to heightened volatility and may reduce liquidity for certain Fund investments, causing the value of the Fund's investments and share price to decline. For example, market developments and other factors, including a general rise in interest rates, have the potential to cause investors to move out of fixed-income securities on a large scale, which may increase redemptions from funds that hold large amounts of fixed-income securities. Such a move, coupled with a reduction in the ability or willingness of dealers and other institutional investors to buy or hold fixed-income securities, may result in decreased liquidity and increased volatility in the fixed-income markets. Heavy redemptions of fixed-income mutual funds and decreased liquidity of fixed-income securities could hurt the Fund's performance.



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**Legislative Risk:** The Fund is subject to legislative risk, which is the risk that new government policies may affect the value of the investments held by the Fund in ways we cannot anticipate and that such policies will have an adverse impact on the value of the Fund's investments and the Fund's NAV.

**Liquidity Risk:** Certain securities held by the Fund may be difficult (or impossible) to sell at the time and at the price the Fund would like due to a variety of factors, including general market conditions, the perceived financial strength of the issuer, or specific restrictions on resale of the securities. Consequently, the Fund may have to hold these securities longer than it would like and may forgo other investment opportunities. It also is possible that the Fund could lose money or be prevented from realizing capital gains if it could not sell a security at the time and price of the Manager's choosing. Lack of liquidity may impact valuation of such securities and the Fund's NAV adversely, especially during times of financial distress. In addition, the Fund may not be able to raise cash when needed or may be forced to sell other investments to raise cash, which could impact the Fund's performance negatively. Infrequent trading of securities also may lead to an increase in price volatility. Liquidity is a general investment risk that potentially could impact any security, but funds that invest in privately placed securities, certain small-company securities, high-yield bonds, mortgage-backed or asset-backed securities, foreign or emerging-market securities, derivatives, or other structured investments, which all have experienced periods of illiquidity, generally are subject to greater liquidity risk than funds that do not invest in these types of securities.

**Management Risk:** The Fund is subject to management risk, which is the possibility that the investment techniques and risk analyses used in managing the Fund's portfolio will not produce the desired results.

**Market Risk:** The Fund is subject to market risk, which is the possibility that the value of the Fund's investments will decline regardless of the success or failure of a company's operations. A company's stock and bond prices in general may decline over short or even extended periods, regardless of the success or failure of a company's operations. Markets tend to run in cycles, with periods when prices generally go up and periods when prices generally go down. Equity securities tend to be more volatile than debt securities.

**Non-Investment-Grade Securities Risk:** Fixed-income securities rated below investment grade ("junk" or high-yield bonds) should be regarded as speculative because their issuers are more susceptible to financial setbacks and recession than more creditworthy companies. High-yield bond issuers include small companies lacking the history or capital to merit investment-grade status, former blue chip companies downgraded because of financial problems, and firms with heavy debt loads. Many issuers of high-yield securities have characteristics (including, but not limited to, high levels of debt, an untested business plan, significant competitive and technological challenges, legal, and political risks) which cast doubt on their ability to honor their financial obligations. They may be unable to pay interest when due or return all the



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principal amount of their debt obligations at maturity. If the Fund invests in securities whose issuers develop unexpected credit problems, the Fund's NAV could decline. Changes in economic conditions or other circumstances are more likely to lead to a weakened capability to make principal and interest payments on these securities than is the case for higher-rated securities.

**Options Strategy Risk:** The Fund could experience a loss in the options portion of the portfolio, particularly during periods when market values are increasing but market volatility is high. When it sells index or ETF call options, the Fund receives cash but limits its opportunity to profit from an increase in the market value of its stock portfolio. When the Fund purchases index or ETF put options, it risks the loss of the cash paid for the options. At times, the Fund may not own put options, which increases exposure to a market decline. When the Fund simultaneously buys index put options and also sells index put options to fund the purchases, resulting in an index put spread, the Fund has increased exposure to further market decline if the market price of the index falls below the strike price of the short index put option.

**Prepayment and Extension Risk:** As a mutual fund investing in mortgage-backed securities, the Fund is subject to prepayment risk for these securities, which is the possibility that prepayments of mortgage-backed securities in the Fund's portfolio will require reinvestment at lower interest rates, resulting in less interest income to the Fund. Mortgage-backed securities pay regularly scheduled payments of principal along with interest payments. In addition, mortgagors generally have the option of paying off their mortgages without penalty at any time. For example, when a mortgaged property is sold, the old mortgage is usually prepaid. Also, when interest rates fall, the mortgagor may refinance the mortgage and prepay the old mortgage. A homeowner's default on the mortgage also may cause a prepayment of the mortgage. This unpredictability of the mortgage's cash flow is called prepayment risk. For the investor, prepayment risk usually means that principal is received at the least opportune time. For example, when interest rates fall, homeowners will find it advantageous to refinance their mortgages and prepay principal. In this case, the investor is forced to reinvest the principal at the current, lower rates.

Reinvestment at lower rates tends to reduce the interest payments received by the Fund and, therefore, the size of the dividend payments available to shareholders. On the other hand, when interest rates rise, homeowners generally will not refinance their mortgages and prepayments will fall. This causes the average life of the mortgage to extend and be more sensitive to interest rates, which is sometimes called extension risk. In addition, the amount of principal the investor has to invest in these higher interest rates is reduced.

**Real Estate Investment Trusts (REITs) Investment Risk:** There is a risk that the Fund's investment in REITs will decrease because of a decline in real estate values. Investing in REITs may subject the Fund to many of the same

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risks associated with the direct ownership of real estate. Additionally, REITs are dependent upon the capabilities of the REIT manager(s), have limited diversification, may be particularly sensitive to economic downturns or changes in interest rates, real estate values, cash flows of underlying real estate assets, occupancy rates, zoning laws, and tax laws. Because REITs are pooled investment vehicles that have expenses of their own, the Fund will indirectly bear its proportionate share of those expenses.

**Repurchase Agreement Risk:** Repurchase agreements carry several risks. Although transactions must be fully collateralized at all times, they generally create leverage and involve some counterparty risk to the Fund, in that a defaulting counterparty could delay or prevent the Fund's recovery of collateral. For example, if the other party to a repurchase agreement defaults on its obligation under the agreement, the Fund may suffer delays and incur costs or lose money in exercising its rights under the agreement. If the seller fails to repurchase the security and the market value of the security declines, the Fund may suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund are less than the repurchase price.

**Securities Lending Risk:** The Fund may lend portfolio securities to broker-dealers or other institutions on a fully collateralized basis. There is a risk of delay in recovering a loaned security and/or risk of loss in collateral if the borrower becomes insolvent. There also is risk of loss if the borrower defaults and fails to return the loaned securities. The Fund could incur losses on the reinvestment of cash collateral from the loan, if the value of the short-term investments acquired with the cash collateral is less than the amount of cash collateral required to be returned to the borrower.

**U.S. Government Sponsored Enterprises (GSEs) Risk:** While mortgage-backed securities, the value of which may be impacted by factors affecting the housing market, and other securities issued by certain GSEs, such as the Government National Mortgage Association (GNMA), are supported by the full faith and credit of the U.S. government, securities issued by other GSEs are supported only by the right of the GSE (including the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae)) to borrow from the U.S. Treasury, the discretionary authority of the U.S. government to purchase the GSEs' obligations, or by the credit of the issuing agency, instrumentality, or corporation, and are neither issued nor guaranteed by the U.S. Treasury. If such a GSE were to default on its obligations, the Fund might not be able to recover its investment.

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## ADDITIONAL INFORMATION

This prospectus does not tell you about every policy or risk of investing in the Fund. For additional information about the Fund's investment policies and the types of securities in which the Fund's assets may be invested, you may request a copy of the Fund's SAI (the back cover of this prospectus tells you how to do this).

## PORTFOLIO HOLDINGS

A description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities is available in the Fund's SAI, which is available upon request.

## FUND MANAGEMENT

AMCO serves as the manager of the Fund. The Fund is one of 47 no-load mutual funds offered by USAA Mutual Funds Trust (the Trust). We are an affiliate of United Services Automobile Association (USAA), a large, diversified financial services institution. Our mailing address is P.O. Box 659453, San Antonio, Texas 78265-9825. We had approximately \$171 billion in total assets under management as of March 31, 2019.

On November 6, 2018, USAA, the parent company of AMCO, the investment adviser to the Funds, and of USAA Transfer Agency Company (d/b/a USAA Shareholder Account Services ("SAS")), the transfer agent to the Funds, announced that AMCO and SAS would be acquired by Victory Capital Holdings, Inc., a global investment management firm headquartered in Cleveland, Ohio (the "Transaction"). The closing of the Transaction is expected to be completed on or about the end of the second quarter of 2019, pending satisfaction of certain closing conditions and approvals, including certain approvals of the Funds' Board of Trustees and of Fund shareholders at a special shareholder meeting, which was held on April 18, 2019.

The Transaction is not expected to result in any material changes to the Fund's respective investment objectives and principal investment strategies.

The Funds filed a definitive proxy statement on February 21, 2019, in which shareholders were asked: (1) to approve a new investment advisory agreement between the Trust, on behalf of each Fund, and Victory Capital Management Inc.; and (2) to elect two new nominees to the Board of Trustees of the Trust. Additional information regarding the proposals voted on at the special shareholder meeting are provided in the proxy statement.

We provide investment management services to the Fund pursuant to an Advisory Agreement. Under this agreement, we are responsible for managing the business and affairs of the Fund, subject to the authority of and supervision by the Board. A discussion regarding the basis of the Board's

approval of the Fund's Advisory Agreement is available in the Fund's semiannual report to shareholders for the period ended June 30.

For our services, the Fund pays us an investment management fee, which is comprised of a base investment management fee and a performance adjustment. The base investment management fee, which is accrued daily and paid monthly, is equal to an annualized rate of twenty-four one hundredths of one percent (0.24%) of the Fund's average daily net assets.

The performance adjustment is calculated separately for each class of shares on a monthly basis and will be added to or subtracted from the base investment management fee depending upon the performance of the respective share class relative to the performance of a Lipper Index over the performance period. The performance adjustment for each class is calculated monthly by comparing the Fund's performance to that of the Lipper Ultra Short Obligations Funds Index, which measures the performance of funds tracked by Lipper that invest at least 65% of their assets in investment-grade debt issues, or better, and maintain a portfolio dollar-weighted average maturity between 91 days and 365 days. For purposes of calculating the performance adjustment, the performance of the R6 Shares includes the performance of the Fund Shares for periods prior to March 1, 2017.

To determine the amount of the performance adjustment, the annual performance adjustment rate is multiplied by the average daily net assets of the Fund over the entire performance period, which then is multiplied by a fraction, the numerator of which is the number of days in the month and the denominator of which is 365 (366 in leap years). The resulting amount then is added to (in the case of overperformance) or subtracted from (in the case of underperformance) the base investment management fee.

<b>Over/Under Performance Relative to Index (in basis points)<sup>1</sup></b>	<b>Annual Adjustment Rate (in basis points as a percentage of the Fund's average daily net assets)<sup>1</sup></b>
+/- 20 to 50	+/- 4
+/- 51 to 100	+/- 5
+/- 101 and greater	+/- 6

<sup>1</sup> Based on the difference between average annual performance of the relevant share class of the Fund and its relevant Lipper index, rounded to the nearest basis point. Average daily net assets of the relevant share class are calculated over a rolling 36-month period.

Under the performance fee arrangement, the Fund will pay a positive performance fee adjustment for a performance period whenever the Fund outperforms the Lipper Ultra Short Obligations Funds Index over that period, even if the Fund had overall negative returns during the performance period. For the fiscal year ended December 31, 2018, the performance adjustment decreased the base investment management fee of 0.24% by 0.02% for the Institutional Shares. The Fund Shares and R6 Shares performance adjustments were less than 0.01% and less than (0.01%), respectively.

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We have agreed, through April 30, 2020, to make payments or waive management, administration, and other fees to limit the expenses of the Fund's Institutional Shares and R6 Shares so that the total annual fund operating expenses (exclusive of expense offset arrangements, acquired fund fees and expenses, and extraordinary expenses) do not exceed an annual rate of 0.55% and 0.39% of the Institutional Shares' and the R6 Shares' average daily net assets, respectively. This reimbursement arrangement may not be changed or terminated during this time period without approval of the Board and may be changed or terminated by us at any time after April 30, 2020. If the total annual fund operating expense ratios of either or both of the Institutional Shares or R6 Shares are lower than 0.55% and 0.39%, respectively, the Fund will operate at the lower expense ratio.

In addition to providing investment management services, we also provide administration and servicing to the Fund. USAA Investment Management Company acts as the Fund's distributor. Our affiliate, USAA Shareholder Account Services (SAS), provides transfer agency services to the Fund. The Fund or the Fund's distributor or transfer agent may enter into agreements with third parties (Servicing Agents) to pay such Servicing Agents for certain administrative and servicing functions for all share classes other than R6 Shares.

The Fund is authorized, although we have no present intention of using such authority, to use a "manager-of-managers" structure. We could select (with approval of the Board and without shareholder approval) one or more subadvisers to manage the day-to-day investment of the Fund's assets. We would monitor each subadviser's performance through quantitative and qualitative analysis and periodically report to the Board as to whether each subadviser's agreement should be renewed, terminated, or modified. We also would be responsible for determining how the Fund's assets should be allocated to the subadvisers. The allocation for each subadviser could range from 0% to 100% of the Fund's assets, and we could change the allocations without shareholder approval.

## PORTFOLIO MANAGERS

**Anthony M. Era, Jr.**, CFA, Vice President, Money Market Funds, managed the Fund from its inception in October 2010 through April 2018, and has co-managed Fund since May 2018. He has 33 years of investment management experience and has worked for us for 32 years. Education: B.A., Creighton University, Omaha, Nebraska; master's degree in finance, University of Texas at San Antonio. Mr. Era is a member of the Chartered Financial Analyst (CFA) Institute and the CFA Society of San Antonio.

**Douglas J. Rollwitz**, CFA, CPA, Assistant Investment Portfolio Manager, has co-managed the Fund since May 2018. Mr. Rollwitz has 19 years of investment management experience and has worked for us for 22 years. Education: B.B.A., University of Texas at San Antonio; M.B.A., University of

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Texas at Arlington. He holds the CFA designation and is a member of the CFA Institute and the San Antonio Financial Analysts Society.

**Brian W. Smith**, CFA, CPA, Assistant Vice President of Mutual Funds Portfolios, has co-managed the Fund since May 2018. Mr. Smith has 19 years of investment management experience and has worked for us for 33 years. Education: B.B.A., University of Texas at San Antonio; M.B.A., University of Texas at San Antonio. He holds the CFA designation and is a member of the CFA Institute and the CFA Society of San Antonio.

The SAI provides additional information about the portfolio managers' compensation, other accounts managed, and ownership of Fund securities.

## PURCHASES

### OPENING AN ACCOUNT WITH THE FUND

You may purchase shares in a USAA investment account or through certain financial intermediaries as described below. You may call toll free at (800) 531-USAA (8722) or (210) 531-8722, Monday through Friday, 7:30 a.m. to 10 p.m., and Saturday, 8 a.m. to 5 p.m., Central time, to inquire about opening an account with us. If you already have an account with us, you will not need to fill out another application to invest in another fund of the USAA family of funds unless the registration is different or we need further information to verify your identity.

As required by federal law, we must obtain certain information from you prior to opening an account with us. If we are unable to verify your identity, we may refuse to open your account, or we may open your account and take certain actions without prior notice to you, including restricting account transactions pending verification of your identity. If we subsequently are unable to verify your identity, we may close your account and return to you the value of your shares at the next calculated NAV. We prohibit opening accounts for certain investors, including but not limited to, foreign financial institutions, shell banks, correspondent accounts for foreign shell banks, and correspondent accounts for foreign financial institutions. A "foreign shell bank" is a foreign bank without a physical presence in any country. A "correspondent account" is an account established for a foreign bank to receive deposits from, or to make payments or other disbursements on behalf of, the foreign bank, or to handle other financial transactions related to such foreign bank.

### TAXPAYER IDENTIFICATION NUMBER

Each shareholder named on an account with us must provide a Social Security number or other taxpayer identification number to avoid "backup" tax withholding required by the Internal Revenue Code of 1986, as amended (the Code). See the section titled **Taxes** for additional tax information.

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## PURCHASING SHARES

Shares of the Fund are only available for sale in the United States and certain other areas subject to U.S. jurisdiction and may not be offered for sale in non-U.S. jurisdictions. Investors residing outside of the United States (except those with Air/Army Post Office (APO), Fleet Post Office (FPO), or Diplomatic Post Office (DPO) addresses) generally may not purchase shares of the Fund, even if they are U.S. citizens or lawful permanent residents.

### **Fund Shares:**

The Fund Shares are a separate share class of the Fund and are not a separate mutual fund. Fund Shares are available through a USAA investment account and through certain financial intermediaries, as described below. You may purchase Fund Shares through your USAA investment account on the Internet or by telephone; and if you have an account directly with the Fund, you also may purchase shares by mail.

Shares purchased through your USAA investment account will be subject to applicable policies and procedures.

If Fund Shares are purchased through a retirement account or an investment professional (*i.e.*, a financial intermediary), the policies and procedures relating to these purchases may differ from those discussed in this prospectus. Additional fees also may apply to your investment in the Fund, including a transaction fee, if you buy or sell shares of the Fund through a broker or other investment professional. For more information on these fees, check with your investment professional.

### **Institutional Shares:**

The Institutional Shares are a separate share class of the Fund and are not a separate mutual fund. The Institutional Shares are available for investment through a USAA discretionary managed account program, and through certain advisory programs sponsored by financial intermediaries, such as brokerage firms, investment advisors, financial planners, third-party administrators, and insurance companies. Institutional Shares also are available to institutional investors, which include retirement plans, endowments, foundations, and bank trusts, as well as a USAA Fund participating in a fund-of-funds investment strategy, and other persons or legal entities that the Fund may approve from time to time.

### **R6 Shares:**

The R6 Shares are a separate share class of the Fund and are not a separate mutual fund. The R6 Shares are available for investment by participants in certain employer-sponsored retirement plans. R6 Shares may be purchased or redeemed only through employer-sponsored retirement plans where a financial intermediary provides retirement recordkeeping services to plan participants.

Retirement plans eligible for the R6 Shares include 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit-sharing and money purchase pension

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plans, defined benefit plans, and non-qualified deferred compensation plans where shares are held on the books of the Fund through omnibus accounts (either at the plan level or at the level of the investment provider). The R6 Shares also are available to endowment funds and foundations, if approved by the Fund's distributor.

The R6 Shares are not available to retail accounts, traditional or Roth IRAs, SEPs, SARSEPs, SIMPLE IRAs, or 529 college savings plans.

## **ADDITIONAL INFORMATION REGARDING FINANCIAL INTERMEDIARIES**

Your ability to purchase, exchange, redeem, and transfer shares will be affected by the policies of the financial intermediary through which you do business. Some policy differences may include: minimum investment requirements, exchange policies, fund choices, cutoff time for investments, and trading restrictions.

In addition, your financial intermediary may charge a transaction or other fee for the purchase or sale of shares of the Fund. Those charges are retained by the financial intermediary and are not shared with us. Please contact your financial intermediary or plan sponsor for a complete description of its policies.

Copies of the Fund's annual report, semiannual report, and SAI are available from your financial intermediary or plan sponsor.

## **MINIMUM INITIAL PURCHASE**

### **Fund Shares:**

\$3,000. However, financial intermediaries may set different investment minimums, and the Fund reserves the right to waive or lower purchase minimums in certain circumstances.

### **Institutional Shares:**

\$1 million. However, the Fund reserves the right to waive or lower purchase minimums in certain circumstances.

### **R6 Shares:**

There is no minimum initial investment amount for R6 Shares. However, financial intermediaries or plan recordkeepers may require plans to meet different investment minimums.



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## ADDITIONAL PURCHASES

### **Fund Shares:**

\$50 minimum per transaction, per account. Employees of USAA and its affiliated companies may make additional purchases through payroll deduction for as little as \$25 per pay period.

### **Institutional Shares:**

There is no subsequent purchase minimum for investments in Institutional Shares through any applicable discretionary managed account or similar investment program and/or certain other USAA affiliated products.

### **R6 Shares:**

There is no subsequent purchase minimum for investments in R6 Shares. However, financial intermediaries or plan recordkeepers may require participants to meet different subsequent purchase requirements.

## EFFECTIVE DATE OF PURCHASE

When you make a purchase, your purchase price will be the NAV per share next calculated after we or the financial intermediary receive your request in “proper form” as provided in the section titled **Important Transaction Information**. The Fund’s NAV per share is calculated as of the close of the regular trading session (generally 4 p.m. Eastern time) of the New York Stock Exchange (NYSE) each day it is open for trading. If we or the financial intermediary receive your purchase request in proper form prior to that time, your purchase price will be the NAV per share calculated for that day. If we or the financial intermediary receive your purchase request in proper form after that time, the purchase price will be the NAV per share calculated as of the close of the next regular trading session of the NYSE.

The Fund or the Fund’s distributor or transfer agent may enter into agreements with Servicing Agents (such as financial intermediaries or plan sponsors), which hold shares of the Fund in omnibus accounts for their customers, under which the Servicing Agents are authorized to receive orders for shares of the Fund on the Fund’s behalf. Under these arrangements, the Fund will be deemed to have received an order when an authorized Servicing Agent receives the order. Accordingly, customer orders will be priced at the Fund’s NAV per share next calculated after they are received by an authorized Servicing Agent even though the orders may be transmitted to the Fund by the Servicing Agent after the time the Fund calculates its NAV.

## PAYMENT

If you hold an account directly with the Fund and you plan to purchase shares from us with a check, money order, or other similar instrument, the instrument must be written in U.S. dollars and drawn on a U.S. bank. We do not accept the following foreign instruments: checks, money orders, traveler’s checks, or

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other similar instruments. In addition, we do not accept cash or coins. If you plan to purchase shares through a financial intermediary, please check with that financial intermediary regarding acceptable forms of payment.

## REDEMPTIONS

For federal income tax purposes, a redemption of shares of the Fund is a taxable event, upon which you may recognize a capital gain or loss (unless you hold the shares of the Fund in a tax-deferred account or are a tax-exempt investor). A capital gain or loss is based on the difference between your basis in the redeemed shares and the proceeds you receive upon their redemption. See the section titled **Taxes** for information regarding basis election and reporting.

The Fund may elect to suspend the redemption of shares or postpone the date of payment in limited circumstances (*e.g.*, if the NYSE is closed or when permitted by order of the SEC).

Under normal market conditions, the Fund typically expects to meet redemption requests by paying out proceeds from cash or cash equivalent portfolio holdings, or by selling portfolio holdings. Under deteriorating market conditions or market stress, the Fund also may borrow from a line of credit to which the Fund and certain other USAA Funds are parties. The Fund and the other USAA Funds are limited as to the amount that each may individually and collectively borrow under the line of credit. As a result, borrowings available to the Fund may be insufficient to satisfy Fund redemption requests. In addition, the Fund reserves the right to honor redemption orders wholly or partly with in-kind distributions of Fund portfolio securities instead of cash.

## REDEEMING SHARES

### Fund Shares:

You may redeem Fund Shares through your USAA investment account on the Internet or by telephone on any day the NAV per share is calculated. If you have a direct account with the Fund, you also may redeem shares by mail. Shareholders will receive a redemption price of the NAV per share next calculated after we receive your request in “proper form” as provided in the section titled **Important Transaction Information**. If we receive your redemption request in proper form prior to the close of the NYSE’s regular trading session (generally 4 p.m. Eastern time), your redemption price will be the NAV per share calculated for that day. If we receive the redemption request after that time, the redemption price will be the NAV per share calculated as of the close of the next regular trading session of the NYSE. Shares redeemed through your USAA investment account will be subject to applicable policies and procedures.

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The Fund has undertaken certain authentication procedures regarding telephone transactions and will employ reasonable procedures to confirm that instructions communicated by telephone are genuine. Before any discussion regarding your account, we will obtain certain information from you to verify your identity. Additionally, your telephone calls may be recorded or monitored, and confirmations of account transactions are sent to the address of record or by electronic delivery to your designated e-mail address.

If you hold Fund Shares through a USAA investment account or an account directly with the Fund, the Fund typically expects to pay out redemption proceeds on the next business day after your order is received in proper form; however, it may take up to seven days to send your proceeds. Payment for redemption of shares purchased by electronic funds transfer (EFT) or check will be sent after the EFT or check has cleared, which could take up to seven days from the purchase date.

If you hold Fund Shares in your account with a financial intermediary, please contact your financial intermediary regarding redemption policies. Generally, any redemption request you place with your financial intermediary in proper form prior to the close of the NYSE (generally 4 p.m. Eastern time) will receive the NAV per share calculated for that day, subject to the financial intermediary's applicable policies and procedures. Normally, the Fund transmits proceeds to intermediaries for redemption orders that are received in proper form on the next business day after receipt. Under certain circumstances and when deemed to be in the Fund's best interests, proceeds may not be sent to intermediaries for up to seven days after receipt of the redemption order.

### **Institutional Shares:**

Institutional Shares will receive a redemption price of the NAV per share next calculated after we receive the redemption request in "proper form" as provided in the section titled **Important Transaction Information**. If we receive the redemption request in proper form prior to the close of the NYSE's regular trading session (generally 4 p.m. Eastern time), the redemption price will be the NAV per share calculated for that day. If we receive the redemption request after that time, the redemption price will be the NAV per share calculated as of the close of the next regular trading session of the NYSE. The Fund typically expects to pay out redemption proceeds on the next business day after your order is received in proper form; however, it may take up to seven days to send your proceeds.

### **R6 Shares:**

R6 Shares generally may be purchased or redeemed only through employer-sponsored retirement plans where a financial intermediary provides retirement recordkeeping services to plan participants. Check with your financial intermediary or plan sponsor for its policies on redemptions. Shareholders of R6 Shares will receive a redemption price of the NAV per share next calculated after we receive the redemption request, prior to the

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close of the NYSE's regular trading session (generally 4 p.m. Eastern time), in "proper form," as provided in the section titled **Important Transaction Information**. The redemption price will be the NAV per share calculated for that day. If we receive the redemption request after that time, the redemption price will be the NAV per share calculated as of the close of the next regular trading session of the NYSE. Normally, the Fund transmits proceeds to intermediaries and eligible institutional investors (foundations and endowment funds) for redemption orders received in proper form on the next business day after receipt. Under certain circumstances and when deemed to be in the Fund's best interests, proceeds may not be sent to intermediaries for up to seven days after receipt of the redemption order.

## CONVERTING SHARES

### CONVERTING FROM INSTITUTIONAL SHARES TO FUND SHARES

If you no longer meet the eligibility requirements to invest in Institutional Shares (*e.g.*, you terminate participation in a USAA discretionary management account program), we may convert your Institutional Shares to Fund Shares. The Fund will notify you before any such conversion to Fund Shares occurs.

### OTHER CONVERSIONS

The Fund also may provide for other conversion privileges from time to time under which a shareholder of the Fund may convert shares into another class of shares of the same Fund under certain circumstances, subject to approval by the Fund's officers. For example, subject to approval by the Fund's officers, a shareholder may convert shares of one class of the Fund held through an eligible advisory program into shares of another class of the Fund (if available) with a lower expense ratio, provided that following the conversion the shareholder meets applicable eligibility requirements for the class into which the shareholder seeks to convert (as described in this prospectus).

### PRICING

When a conversion occurs, you receive shares of one class of a fund for shares of another class of the same fund. At the time of conversion, the dollar value of the "new" shares you receive equals the dollar value of the "old" shares that were converted. In other words, the conversion has no effect on the value of your investment in the fund at the time of the conversion. However, the number of shares you own after the conversion may be greater than or less than the number of shares you owned before the conversion, depending on the NAVs per share of the two share classes. A conversion between share classes of the same fund is a non-taxable event.

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Conversions are not subject to the Fund's restrictions on short-term trading activity discussed under the section titled **Excessive Short-Term Trading** in this prospectus.

## EXCHANGES

For federal income tax purposes, an exchange between funds is a taxable event, upon which you may recognize a capital gain or loss (unless you hold the shares of the Fund in a tax-deferred account or are a tax-exempt investor). Such a gain or loss is based on the difference, if any, between your basis in the exchanged shares and the aggregate NAV of the shares you receive in the exchange. See the section titled **Taxes** for information regarding basis election and reporting.

### EXCHANGE PRIVILEGE

You may exchange shares between funds in the USAA family of funds, provided the shares to be acquired are offered in your state of residence. The Fund, however, reserves the right to terminate or change the terms of an exchange offer.

If you have opened an account directly with the Fund, you may make exchanges through the USAA self-service telephone system and on **usaa.com**. If you have a USAA investment account, you may make exchanges on **usaa.com** or on **mobile.usaa.com**. After we receive the exchange orders, the Fund's transfer agent will simultaneously process exchange redemptions and purchases at the share prices next calculated pursuant to the procedures set forth herein. See the section titled **Effective Date of Purchase** for additional information. The investment minimums applicable to share purchases also apply to exchanges.

If you hold shares of the Fund in an account with a financial intermediary or plan sponsor, the policies and procedures on an exchange may differ from those discussed in this prospectus. Additional fees also may apply to your investment in the Fund, including a transaction fee, if you buy, sell, or exchange shares of the Fund through a broker or other investment professional. For more information on these fees, check with your investment professional.

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# OTHER IMPORTANT INFORMATION ABOUT PURCHASES, REDEMPTIONS, AND EXCHANGES

## CONTACTING USAA

The following features may be available to you to purchase, redeem, and exchange shares of the Fund you hold in a USAA investment account or in an account opened directly with the Fund.

### Internet Access

- Review account information and make most account transactions. This includes making purchases, exchanges, and redemptions; reviewing account activity; checking balances; and more.

### Mobile Access

- Review account information and make most account transactions.

### USAA Self-Service Telephone System (800) 531-USAA (8722) or (210) 531-8722

- Access account information and make most account transactions.

### Telephone

- Call toll free (800) 531-USAA (8722) or (210) 531-8722 Monday – Friday, 7:30 a.m. to 8 p.m. and Saturday, 8 a.m. to 5 p.m., Central time, to speak with a member service representative.

### Mail

- If you hold an account directly with the Fund and would like to make a purchase or request a redemption by mail, send your written instructions to:

#### **Regular Mail:**

USAA Investment Management Company  
P.O. Box 659453  
San Antonio, TX 78265-9825

#### **Registered or Express Mail:**

USAA Investment Management Company  
9800 Fredericksburg Road  
San Antonio, TX 78240

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## Bank Wire

- To add to your account or request a redemption by bank wire, visit us at [usaa.com](http://usaa.com) or call (800) 531-USAA (8722) or (210) 531-8722 for instructions. This helps to ensure that your account will be credited or debited promptly and correctly.

## Electronic Funds Transfer

- Additional purchases on a regular basis may be deducted electronically from a bank account, paycheck, income-producing investment, or USAA money market fund account. Sign up for these services when opening an account, log on to [usaa.com](http://usaa.com) or call (800) 531-USAA (8722) or (210) 531-8722 for assistance.

## Checkwriting

- Shareholders invested in the Fund through an account with the Transfer Agent may request that checks be issued for their accounts. You will not be charged for the use of checks or any subsequent reorders. You may write checks in the amount of \$250 or more. **Checks written for less than \$250 may be returned unpaid.** We reserve the right to assess a processing fee against your account for any redemption check not honored by a clearing or paying agent. Because the value of your account changes daily as dividends accrue, you may not write a check to close your account.

## IMPORTANT TRANSACTION INFORMATION

Purchase, redemption, and exchange requests are not processed until received in proper form. "Proper form" means actual receipt of the order along with all information and supporting documentation necessary to effect the transaction. Complete information may include any verification or confirmation of identity that the Fund's transfer agent or other authorized Fund agent may request. For purchase requests, "proper form" also generally includes receipt of sufficient funds to effect the purchase. The Fund, its transfer agent, or any authorized Fund agent may, in its sole discretion, determine whether any particular transaction request is in good order and reserve the right to change or waive any good order requirement at any time. Financial intermediaries may have their own requirements for recognizing a transaction in proper form or good order. If you hold your shares through a financial intermediary, please contact them for specific proper form or good order requirements.

## IRA DISTRIBUTION FEE

The Fund may apply a distribution fee to all full IRA distributions, except for those due to death, disability, divorce, or transfer to other USAA lines of business. Partial IRA distributions are not charged a distribution fee.

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## **ACCOUNT BALANCE**

SAS may assess annually a small balance account fee of \$12 to each shareholder account with a balance of less than \$2,000 at the time of assessment. Accounts exempt from the fee include: (1) any account regularly purchasing additional shares each month through an automatic investment plan; (2) any UGMA/UTMA account; (3) all (non-IRA) money market fund accounts; (4) any account whose registered owner has an aggregate balance of \$50,000 or more invested in USAA Funds; and (5) all IRAs (for the first year the account is open).

## **EXCESSIVE SHORT-TERM TRADING**

At this time, the Board has not adopted policies designed to prevent excessive short-term trading activity for this Fund because the Fund is designed to accommodate short-term investment activity, including checkwriting by shareholders. The Fund does reserve the right to reject any purchase or exchange order if in the best interest of the Fund, but at this time has not designated categories of short-term trading activity as detrimental to the Fund. In the future, the Fund can adopt such procedures if it determines certain patterns of activity are detrimental to this Fund.

## **OTHER FUND RIGHTS**

The Fund reserves the right to:

- Reject or restrict purchase or exchange orders when in the best interest of the Fund;
- Limit or discontinue the offering of shares of the Fund without notice to the shareholders;
- Calculate the NAV per share and accept purchase, exchange, and redemption orders on a business day that the NYSE is closed;
- Redeem some or all of its shares in kind when in the best interest of the Fund;
- Require a signature guarantee for transactions or changes in account information in those instances where the appropriateness of a signature authorization is in question (the SAI contains information on acceptable guarantors);
- Redeem an account with less than \$500, with certain limitations;
- Restrict or liquidate an account when necessary or appropriate to comply with federal law; and
- Discontinue or otherwise limit the opening of accounts with us.



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## MULTIPLE CLASS INFORMATION

The Fund is comprised of multiple classes of shares. Each class shares the Fund's investment objective and investment portfolio. The classes have different fees, expenses, and/or minimum investment requirements. The difference in the fee structures between the classes is primarily the result of their separate arrangements for shareholder and distribution services and performance fee arrangements. It is not the result of any difference in base investment management or custodial fee rate schedules or other expenses related to the management of the Fund's assets, which do not vary by class. Shareholders of R6 Shares do not require the same level of shareholder and administrative services from the Fund as shareholders of the other classes. In addition, the Fund does not pay any service, distribution, or administrative fees to financial intermediaries for R6 Shares. As a result, the R6 Shares pay lower fees. Different fees and expenses will affect performance.

Except as described below, the share classes have identical voting, dividend, liquidation, and other rights, preferences, terms, and conditions. The primary differences between the classes are: (a) each class may be subject to different expenses specific to that class; (b) each class has a different identifying designation or name; (c) each class has exclusive voting rights with respect to matters solely affecting that class; and (d) each class may have different purchase, exchange, and redemption privileges.

## SHAREHOLDER INFORMATION

### PAYMENTS TO FINANCIAL INTERMEDIARIES

Certain financial intermediaries perform recordkeeping, networking, administrative, sub-transfer agency, and shareholder services for their clients with respect to their investments in the Fund that otherwise would be performed by the Fund's transfer agent or administrator and shareholder servicing agent. In some circumstances, we, or one of our affiliates, will pay a financial intermediary for these services out of our own resources. In other circumstances, the Fund will pay a fee to the financial intermediary for performing those services. The Fund will not pay financial intermediaries more than it would pay its direct service providers for transfer agency, administration, and/or shareholder services. In cases where intermediary fees are higher due to differences in the services being provided or other factors, the additional amounts will be paid by us and/or the distributor. In addition, these payments generally are based on either (1) a percentage of the average daily net assets of Fund shareholders' accounts serviced by a financial intermediary or (2) a fixed dollar amount for each account serviced by a financial intermediary. The aggregate amount of these payments may be substantial.

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In addition, we and the Fund's distributor may make payments to intermediaries for various additional services, other expenses, and/or the financial intermediaries' distribution of shares of the Fund. Such payments are sometimes referred to as "revenue sharing" and generally are negotiated with a financial intermediary on the basis of such factors as the number or value of shares of the Fund that the financial intermediary sells or may sell; the value of client assets invested; or the type and nature of services or support furnished by the financial intermediary. Such revenue sharing payments are intended to compensate a financial intermediary for one or more of the following: (1) distribution, which may include expenses incurred by financial intermediaries for their sales activities with respect to the Fund, such as preparing, printing, and distributing sales literature and advertising materials and compensating registered representatives or other employees of such financial intermediaries for their sales activities, as well as the opportunity for the Fund to be made available by such financial intermediaries; (2) shareholder services, such as providing individual and custom investment advisory services to clients of the financial intermediaries; and (3) marketing and promotional services, including business planning assistance, educating personnel about the Fund, including the Fund on preferred or recommended lists or in certain sales programs sponsored by the intermediary, and sponsorship of sales meetings, which may include covering costs of providing speakers. The distributor may sponsor seminars and conferences designed to educate financial intermediaries about the Fund and may cover the expenses associated with attendance at such meetings, including travel costs. These payments and activities are intended to educate financial intermediaries about the Fund and may help defray or compensate the financial intermediary for the costs associated with offering the Fund.

The payments also may, to the extent permitted by applicable regulations, contribute to various non-cash and cash incentive arrangements to promote the sale of shares of the Fund, as well as sponsor various educational programs, sales contests and/or promotions. We and the Fund's distributor may, from time to time, provide occasional gifts, meals, tickets or other entertainment, or support for due diligence trips. These payments are in addition to any fees paid by the Fund to compensate financial intermediaries for providing distribution-related services to the Fund and/or shareholder services to Fund shareholders. These payments may be a fixed dollar amount or may be based on a percentage of the value of shares sold to, or held by, customers of the financial intermediary involved. The amount of these payments may be substantial and may differ among financial intermediaries. In addition, certain financial intermediaries may have access to certain services from us or the distributor, including research reports and economic analysis, and portfolio analysis tools. In certain cases, the financial intermediary may not pay for these services. These payments and other arrangements may create a conflict of interest by influencing the financial intermediary to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information. The amount of any payments

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described by this paragraph is determined by us or the distributor, and all such amounts are paid out of our available assets or the assets of the distributor and do not directly affect the total expense ratio of the Fund.

The Fund does not pay any service, distribution, or administrative fees to financial intermediaries on R6 Shares.

## **SHARE PRICE CALCULATION**

The price at which you purchase and redeem shares of the Fund is equal to the NAV per share calculated on the effective date of the purchase or redemption. The NAV per share is calculated by adding the value of the Fund's assets (*i.e.*, the value of its investments and other assets), deducting liabilities, and dividing by the number of shares outstanding. Shares of the Fund may be purchased and sold at the NAV per share without a sales charge. The Fund's NAV per share is calculated as of the close of the NYSE (generally 4 p.m. Eastern time) each day that the NYSE is open for regular trading. The NYSE is closed on most national holidays and Good Friday.

## **VALUATION OF SECURITIES**

The Board has established a Valuation and Liquidity Committee (the "Committee"); and subject to Board oversight and approval, the Committee administers and oversees the Fund's valuation policies and procedures. Among other things, these policies and procedures allow the Fund to utilize independent pricing services, quotations from securities dealers, and a wide variety of sources and information to establish and adjust the fair value of securities as events occur and circumstances warrant.

Debt securities with maturities greater than 60 days are valued each business day by a pricing service (the "Service") approved by the Board. The Service uses an evaluated mean between quoted bid and ask prices or the last sales price to price securities when, in the Service's judgment, these prices are readily available and are representative of the securities' market values. For many securities, such prices are not readily available. The Service generally prices these securities based on methods that include consideration of yields or prices of securities of comparable quality, coupon, maturity, and type; indications as to values from dealers in securities; and general market conditions.

Short-term debt securities with original or remaining maturities of 60 days or less may be valued at amortized cost, provided that amortized cost represents the fair value of such securities.

Repurchase agreements are valued at cost.

Investments in open-end investment companies, commingled, or other funds, other than ETFs, are valued at their NAV at the end of each business day.

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Futures contracts are valued at the settlement price at the close of market on the principal exchange on which they are traded or, in the absence of any transactions that day, the values are based upon the settlement price on the prior trading date if it is within the spread between the closing bid and ask price closest to the settlement price.

Options contracts are valued by a pricing service at the National Best Bid/Offer (NBBO) composite price, which is derived from the best available bid and ask prices in all participating options exchanges determined to most closely reflect market value of the options at the time of computation of the Fund's NAV. Options on futures are valued at the settlement price.

In the event that price quotations or valuations are not readily available, are not reflective of market value, or a significant event has been recognized in relation to a security or class of securities, the securities are valued in good faith, at fair value, by the Committee in accordance with valuation procedures approved by the Board. The effect of fair value pricing is that securities may not be priced on the basis of quotations from the primary market in which they are traded, and the actual price realized from the sale of a security may differ materially from the fair value price. Valuing these securities at fair value is intended to cause the Fund's NAV to be more reliable than it otherwise would be.

Fair value methods used by the Fund include, but are not limited to, obtaining market quotations from secondary pricing services, broker-dealers, other pricing services, or widely used quotation systems. General factors considered in determining the fair value of securities include fundamental analytical data, the nature and duration of any restrictions on disposition of the securities, evaluation of credit quality, and an evaluation of the forces that influenced the market in which the securities are purchased and sold.

For additional information on how securities are valued, see **Valuation of Securities** in the Fund's SAI.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

Distributions from the Fund's net investment income ("dividends") are accrued daily and distributed on the last business day of each month. Daily dividends are declared at the time the NAV per share is calculated. Dividends begin accruing on shares the day following the effective date of purchase and continue to accrue to, and including, the effective date of their redemption. When you choose to receive cash dividends by way of electronic funds transfer, we will send them to you after the distribution date each month.

Ordinarily, any net realized capital gains are distributed in December of each year. The Fund may make additional distributions to shareholders, or may not make a distribution, when considered appropriate or necessary. For example, the Fund could make one or more additional distributions to avoid the imposition of any federal income or excise taxes, or may not make a distribution to limit returns of capital.

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The Fund automatically reinvests all dividends and other distributions paid on a share class in additional shares of that class unless you request to receive those distributions by way of electronic funds transfer. The share price for a reinvestment is the NAV per share of the class computed on the ex-distribution date. Any distribution made by the Fund reduces the NAV per share of the class by the amount of the distribution on the ex-distribution date. You should consider carefully the effects of purchasing shares of the Fund shortly before any distribution (as explained below). The Fund will invest in your account, at the current NAV per share, any distribution payment returned to the Fund by your financial institution.

## **TAXES**

The following tax information is quite general and refers to the federal income tax law in effect as of the date of this prospectus.

### **■ Treatment of the Fund**

The Fund, which is treated as a separate corporation for federal tax purposes, has qualified for each past taxable year, and intends to continue to qualify, for treatment as a “regulated investment company” under the Code. By doing so, the Fund (but not its shareholders) is relieved of federal income tax on the part of its investment company taxable income (consisting generally of taxable net investment income, the excess, if any, of net short-term capital gain over net long-term capital loss (“net short-term gain”), and net gains and losses from certain foreign currency transactions, if any, all determined without regard to any deduction for dividends paid) and net capital gain (*i.e.*, the excess of net long-term capital gain over net short-term capital loss), if any, that it distributes to its shareholders.

### **■ Shareholder Taxation**

Distributions that shareholders receive from the Fund generally are subject to federal income tax and may be subject to state and/or local taxes. Dividends and distributions of net short-term gains are taxable to you as ordinary income, whether received in cash or reinvested in additional shares of the Fund. A portion of the Fund’s dividends (which is not expected to be substantial) may qualify for (1) the 50% dividends-received deduction available to corporations, and (2) the lower maximum federal income tax rates applicable to “qualified dividend income” of individuals and certain other non-corporate shareholders (each, an “individual shareholder”) who satisfy certain holding period and other restrictions with respect to their shares of the Fund—a maximum of 15% for a single shareholder with taxable income not exceeding \$434,550 (\$488,850 for married shareholders filing jointly) and 20% for those individual shareholders with taxable income exceeding those respective amounts (which are effective for 2019 and will be adjusted for inflation annually thereafter).

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Regardless of the length of time you have held shares of the Fund, distributions of net capital gains that the Fund realizes are taxable to you as long-term capital gains, whether received in cash or reinvested in additional shares of the Fund. Those distributions are taxed to individual shareholders at the 15% and 20% tax rates described above.

You may realize a capital gain or loss for federal income tax purposes on a redemption or an exchange (which is treated like a redemption for those purposes) of shares of the Fund. Your gain or loss is based on the difference, if any, between your basis in the redeemed (or exchanged) shares and the redemption proceeds (or the aggregate NAV of the shares of the fund into which you exchange) you receive. Any capital gain an individual shareholder recognizes on a redemption or exchange of his or her shares of the Fund that have been held for more than one year will qualify for the 15% and 20% tax rates described above.

In addition, an individual shareholder is subject to a 3.8% federal tax on the lesser of (1) the individual's "net investment income," which generally includes taxable distributions the Fund pays and net gains realized on the redemption or exchange of shares of the Fund, or (2) the excess of his or her "modified adjusted gross income" over \$200,000 (or \$250,000 if married and filing jointly). This tax is in addition to any other taxes due on that income. You should consult your tax adviser regarding the effect, if any, this provision may have on your investment in shares of the Fund.

Your basis in shares of the Fund that you acquired after December 31, 2011, (Covered Shares) will be determined in accordance with the Fund's default method, which is average basis, unless you affirmatively elect in writing (which may be electronic) to use a different acceptable basis determination method, such as a specific identification method. The basis determination method you elect (or the default method) may not be changed with respect to a redemption of Covered Shares after the settlement date of the redemption. You should consult with your tax adviser to determine the best Internal Revenue Service (IRS)-accepted basis determination method.

## ■ Withholding

Federal law requires the Fund to withhold (referred to as "backup withholding") and remit to the U.S. Treasury 24% of (1) dividends, capital gain distributions, and proceeds of redemptions, regardless of the extent to which gain or loss may be realized, otherwise payable to any individual shareholder who fails to furnish the Fund with a correct taxpayer identification number and (2) those dividends and distributions otherwise payable to any individual shareholder who:

- Underreports dividend or interest income or
- Fails to certify that he or she is not subject to backup withholding.

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Backup withholding is not an additional tax, and any amounts so withheld may be credited against a shareholder's federal income tax liability or refunded. To avoid this withholding, you must certify on your application, or on a separate IRS Form W-9 supplied by the Fund's transfer agent, that your taxpayer identification number is correct and you currently are not subject to backup withholding.

## ■ Reporting

The Fund will report information to you annually concerning the tax status of your dividends and other distributions for federal income tax purposes. In addition, the Fund (or its administrative agent) must report to the IRS and furnish to its shareholders the basis information for Covered Shares and indicate whether they had a short-term (one year or less) or long-term (more than one year) holding period. You should consult with your tax adviser to obtain more information about how the basis reporting law applies to you.

## SHAREHOLDER MAILINGS

### ■ Householding

Through our ongoing efforts to help reduce Fund expenses, each household will receive a single copy of the Fund's most recent shareholder reports and prospectus. You will receive a single copy if you and/or a family member own more than one account in the Fund. This eliminates duplicate copies and saves paper and postage costs for the Fund. However, if you would like to receive individual copies, please contact us; and we will begin your individual delivery within 30 days of your request.

### ■ Electronic Delivery

Log on to [usaa.com](http://usaa.com) and sign up to receive your statements, confirmations, financial reports, tax documents, and prospectuses electronically instead of through the mail.

## ADDITIONAL INFORMATION

The Trust enters into contractual arrangements with various parties, including, among others, the Fund's manager, transfer agent, and distributor, who provide services to the Fund. Shareholders are not parties to, or intended (or "third-party") beneficiaries of, any of those contractual arrangements, and those contractual arrangements are not intended to create in any individual shareholder or group of shareholders any right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the Trust or the Fund.

This prospectus provides information concerning the Trust and the Fund that you should consider in determining whether to purchase shares of the Fund. Neither this prospectus nor the related SAI is intended to be, or should be read to give rise to, an agreement or contract between the Trust or the Fund

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and any investor, or to give rise to any rights in any shareholder or other person other than any rights under federal or state law that may not be waived.

## FINANCIAL HIGHLIGHTS

The following financial highlights tables are intended to help you understand the financial performance of the Fund Shares, Institutional Shares, or R6 Shares for the Fund for the past five years or since inception. Certain information reflects financial results for a single share. The total returns in the tables represent the rate that an investor of the Fund Shares, Institutional Shares, or R6 Shares would have earned (or lost) on an investment in the Fund (assuming reinvestment of all income dividends and capital gain distributions).

The information has been derived from financial statements audited by Ernst & Young LLP, an independent registered public accounting firm, whose report, along with the Fund's financial statements, is included in the Fund's annual report to shareholders, which is available upon request.



# USAA ULTRA SHORT-TERM BOND FUND SHARES

	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value at beginning of period	\$ 9.97	\$ 9.98	\$ 9.94	\$ 10.07	\$ 10.10
Income (loss) from investment operations:					
Net investment income	.22	.16	.13	.13	.13
Net realized and unrealized gain (loss)	(.08)	(.01)	.04	(.13)	(.02)
Total from investment operations	.14	.15	.17	(.00) <sup>(a)</sup>	.11
Less distributions from:					
Net investment income	(.22)	(.16)	(.13)	(.13)	(.13)
Realized capital gains	—	—	(.00) <sup>(a)</sup>	(.00) <sup>(a)</sup>	(.01)
Total distributions	(.22)	(.16)	(.13)	(.13)	(.14)
Net asset value at end of period	\$ 9.89	\$ 9.97	\$ 9.98	\$ 9.94	\$ 10.07
Total return (%) <sup>*</sup>	1.40	1.51	1.73	.01	1.05
Net assets at end of period (000)	\$283,769	\$330,442	\$372,155	\$426,994	\$470,933
Ratios to average daily net assets: <sup>**</sup>					
Expenses (%) <sup>(b)</sup>	.60	.58	.61	.59	.58
Net investment income (%)	2.19	1.60	1.30	1.28	1.27
Portfolio turnover (%)	48	58 <sup>(c)</sup>	28	20	31

\* Assumes reinvestment of all net investment income and realized capital gain distributions, if any, during the period. Includes adjustments in accordance with U.S. generally accepted accounting principles and could differ from the Lipper reported return. Total returns for periods of less than one year are not annualized.

\*\* For the year ended December 31, 2018, average daily net assets were \$300,239,000.

(a) Represents less than \$0.01 per share.

(b) Does not include acquired fund fees, if any.

(c) Reflects increased trading activity due to large shareholder outflows.

# USAA ULTRA SHORT-TERM BOND FUND INSTITUTIONAL SHARES

	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value at beginning of period	\$ 9.97	\$ 9.98	\$ 9.94	\$ 10.07	\$ 10.10
Income (loss) from investment operations:					
Net investment income	.22	.15	.13	.13	.13
Net realized and unrealized gain (loss)	(.08)	(.01)	.04	(.13)	(.02)
Total from investment operations	.14	.14	.17	.00 <sup>(a)</sup>	.11
Less distributions from:					
Net investment income	(.22)	(.15)	(.13)	(.13)	(.13)
Realized capital gains	—	—	(.00) <sup>(a)</sup>	(.00) <sup>(a)</sup>	(.01)
Total distributions	(.22)	(.15)	(.13)	(.13)	(.14)
Net asset value at end of period	\$ 9.89	\$ 9.97	\$ 9.98	\$ 9.94	\$ 10.07
Total return (%)*	1.45	1.44	1.69	.04	1.10
Net assets at end of period (000)	\$8,433	\$7,115	\$18,710	\$22,454	\$69,297
Ratios to average daily net assets:**					
Expenses (%) <sup>(b)</sup>	.55	.64 <sup>(c)</sup>	.66	.57	.53
Expenses, excluding reimbursements (%) <sup>(b)</sup>	.77	.75	.66	.57	.53
Net investment income (%)	2.25	1.51	1.25	1.32	1.33
Portfolio turnover (%)	48	58 <sup>(d)</sup>	28	20	31

\* Assumes reinvestment of all net investment income and realized capital gain distributions, if any, during the period. Includes adjustments in accordance with U.S. generally accepted accounting principles and could differ from the Lipper reported return. Total returns for periods of less than one year are not annualized.

\*\* For the year ended December 31, 2018, average daily net assets were \$6,260,000.

(a) Represents less than \$0.01 per share.

(b) Does not include acquired fund fees, if any.

(c) Effective May, 1, 2017, the Manager has voluntarily agreed to limit the annual expenses of the Institutional Shares to 0.55% of the Institutional Shares' average daily net assets.

(d) Reflects increased trading activity due to large shareholder inflows.

## USAA ULTRA SHORT-TERM BOND FUND R6 SHARES

	Year Ended December 31,	Period Ended December 31,
	2018	2017***
Net asset value at beginning of period	\$ 9.97	\$ 9.98
Income (loss) from investment operations:		
Net investment income	.24	.15
Net realized and unrealized loss	(.09)	(.01)
Total from investment operations	(.24)	.14
Less distributions from:		
Net investment income	(.24)	(.15)
Net asset value at end of period	\$ 9.88	\$ 9.97
Total return (%)*	1.51	1.42
Net assets at end of period (000)	\$4,980	\$5,091
Ratios to average daily net assets:**		
Expenses (%) <sup>(a)</sup>	.39	.39 <sup>(b)</sup>
Expenses, excluding reimbursements (%) <sup>(a)</sup>	.69	1.05 <sup>(b)</sup>
Net investment income (%)	2.41	1.81 <sup>(b)</sup>
Portfolio turnover (%)	48	58

\* Assumes reinvestment of all net investment income and realized capital gain distributions, if any, during the period. Includes adjustments in accordance with U.S. generally accepted accounting principles and could differ from the Lipper reported return. Total returns for periods of less than one year are not annualized.

\*\* For the year ended December 31, 2018, average daily net assets were \$4,991,000.

\*\*\* R6 Shares commenced operations on March 1, 2017.

(a) Does not include acquired fund fees, if any.

(b) Annualized. The ratio is not necessarily indicative of 12 months of operations.

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If you would like more information about the Fund, you may call (800) 531-USAA (8722) or 210-531-USAA to request a free copy of the Fund's statement of additional information (SAI), annual or semiannual reports, or to ask other questions about the Fund. The SAI has been filed with the SEC and is incorporated by reference into and legally a part of this prospectus. In the Fund's annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during the last fiscal year. The Fund's SAI and annual and semiannual reports also may be viewed, free of charge, on [usaa.com](http://usaa.com). A complete description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities is available in the Fund's SAI.

To view these documents, along with other related documents, you may visit the EDGAR database on the SEC's website ([www.sec.gov](http://www.sec.gov)). Additionally, copies of this information may be obtained, after payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

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