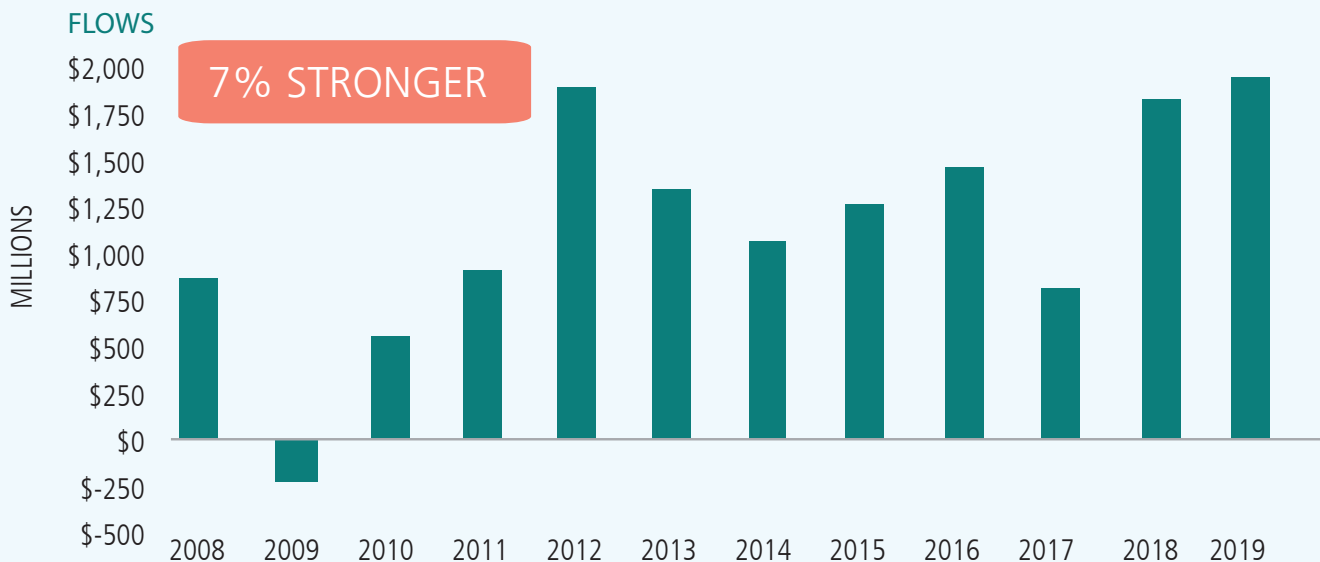
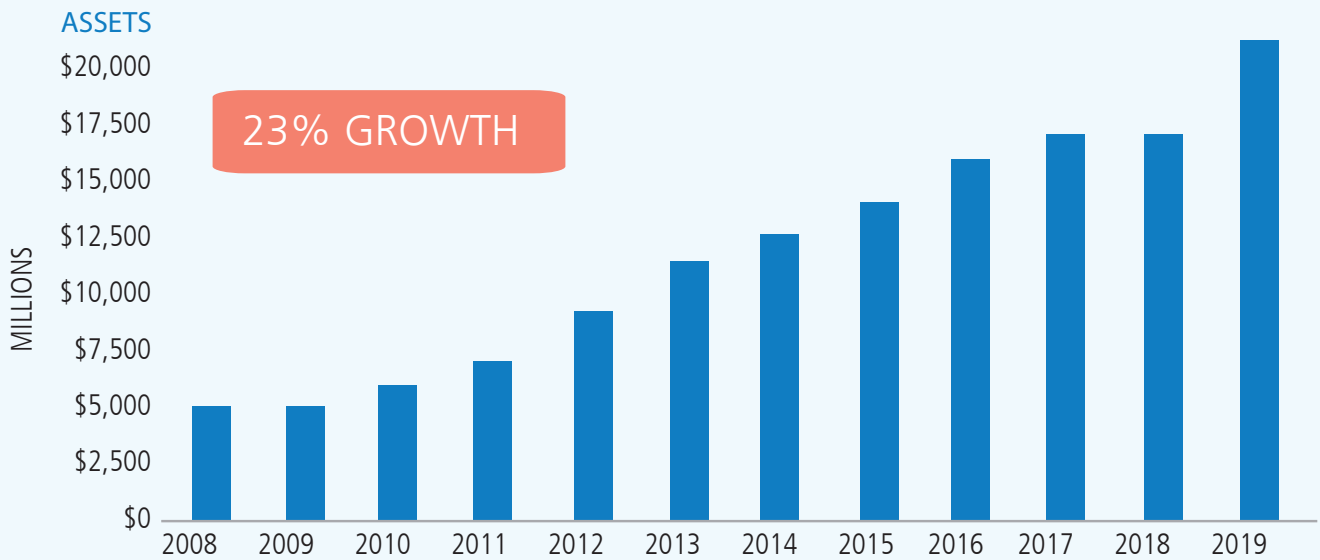


UNDERSTANDING THE MORNINGSTAR Options-Based Funds CATEGORY



More and more, financial advisors recognize that certain approaches within the diverse **options-based funds** category can help investors capitalize on volatility and **favorably shape the risk/return profile** of an equity allocation.

OPTIONS-BASED: THE STAND-OUT LIQUID ALTERNATIVE CATEGORY OF 2019



Source: Morningstar data
Options-based funds use options as a central component of their investment strategies.

THE MORNINGSTAR OPTIONS-BASED CATEGORY EXPLAINED

These investments may use a variety of strategies, including but not limited to:

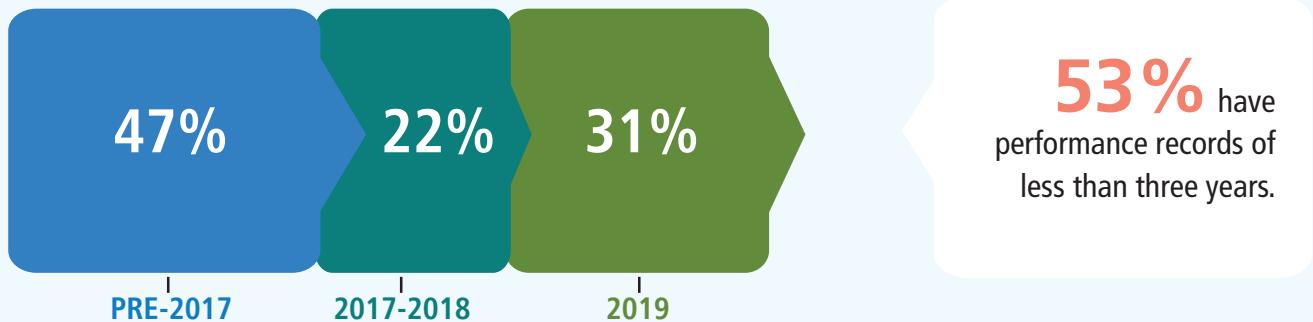
- put writing
- covered call writing
- option spreads
- collar strategies
- options-based hedged equity
- options trading strategies

Funds in this category **USE options** as a significant and consistent part of their overall investment strategy.

Option writing funds seek to generate a portion of their returns, either directly or indirectly, from the volatility risk premium associated with options trading strategies.

MORE THAN HALF OF ALL OPTIONS-BASED FUNDS WERE ADDED SINCE 2017

INCEPTION YEAR



THE BROAD MIX OF OPTIONS-BASED FUNDS...

Equity-Hedged
Dynamic
Covered
Options
Managed
Premium
Institutional
Buy-write
Volatility
Structured
Disciplined
Buffer
Return
Tactical
Secured
Defined Risk
Accelerated



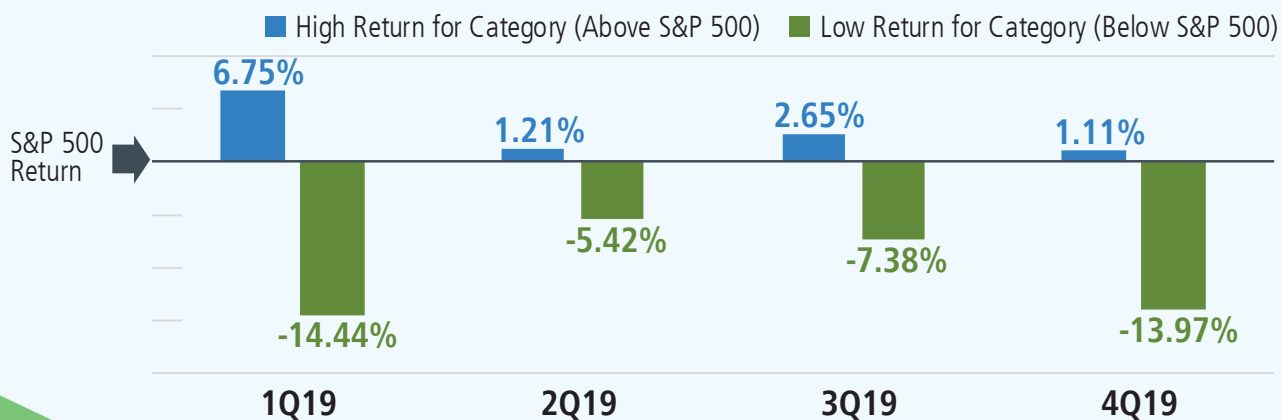
...CAN BE CATEGORIZED INTO 3 TYPES...

	INCOME STRATEGIES	HEDGING STRATEGIES	ALPHA/TACTICAL TRADING STRATEGIES
Description	Typically long equity strategy combined with selling/writing short-term options to generate incremental income.	Typically long equity core portfolio that normally sells upside calls to pay for potential downside protection.	Endeavor to generate returns from the tactical trading of options. The strategy may hold cash as "core." Maximum flexibility.
Variations	<ul style="list-style-type: none"> • Covered call/buy-write • Put-write 	<ul style="list-style-type: none"> • Degree of hedge protection/upside forfeit • Rules-based vs. discretion • Time to expiration of hedges • Use of additional trades to offset cost (put spreads, collars) 	<ul style="list-style-type: none"> • Nearly endless variations on positioning • Can position for up, down, sideways markets • Can position for rising/falling/sideways volatility
Ideal market conditions for relative performance	Gently rising or range bound equity markets	Falling equity markets Moderate volatility	Varies by implementation but potential to profit from normal-high volatility
Expected to underperform	Strong up or down trending markets	Strong up trending markets	Varies by implementation but generally susceptible to compressed or low volatility
Potential equity downside protection (relative)	No	Yes	Yes
Net shorting of options	Yes	Permissible	Permissible
Reaction to rising vol/vol of vol:	Negative	Varies by implementation	Varies by implementation

Source: Calamos Investments

...WITH VARYING INVESTMENT PERFORMANCE

Range of Returns Within Options-Based Category Relative to S&P 500 Index



Performance data quoted represents past performance, which is no guarantee of future results.

3 QUESTIONS TO ASK WHEN YOU'RE EVALUATING OPTIONS-BASED STRATEGIES

Q1. Where is the fund taking risks?

What problem does the fund attempt to solve? Is the fund's goal to generate income? Is the goal to reduce risk? And how does that align with your portfolio objective?

Q2. How are the option trades implemented?



Many options-based funds follow a systematic strategy with known ranges and resets. These are in place for a reason, but it's important to understand the implications of a passive strategy. In the case of an upside that is capped at a certain percentage each quarter, for example, the timing of a new investment will be paramount.

Q3. What controls are in place?

Tail risk, specifically, is something to be mindful of. The "unhappy outcomes" that have occurred in the options space were experienced by investors shorting tails—e.g., the \$1 million fund that shorted \$5 million worth of puts far out of the money.

Buyer beware: Advisors will need to [dig deeper to find the true differentiation](#) between one fund and the next.

Identify the differences. Visit www.calamos.com/zephyr

Ask your Calamos Investment Consultant for help understanding the range of choices within the Options-Based Category and about running a free, exclusive Zephyr Competitive Analysis to compare returns, rankings, and MPT statistics for any mutual fund and any benchmark.

Subscribe at www.calamos.com/weeklyalts

Subscribe to the Calamos Alternatives Snapshot newsletter delivered to your email inbox every Monday.

The Snapshot includes:

- Alternative Categories weekly, MTD, QTD, YTD performance and correlations
- Estimated net flows by category
- Market news

Visit www.calamos.com/CIHEX



Calamos Hedged Equity Fund (CIHEX)

The fund:

- Aims to achieve the total return of equity markets with lower volatility
- Draws on more than a decade of experience in options investing and more than two decades in equity investing
- Earned a 4-star Overall Morningstar Rating* in the Options-Based category through 12/31/19

Calamos is the second largest alternatives manager by assets under management (Morningstar, 12/31/19).

Among 114 Options-based funds. The Fund's load-waived Class I Shares had 4 stars for 3 years and 4 stars for 5 years out of 114 and 71 Options-based Funds, respectively, for the period ended 12/31/2019.

Before investing carefully consider the fund's investment objectives, risks, charges and expenses. Please see the prospectus and summary prospectus containing this and other information which can be obtained by calling 1-800-582-6959. Read it carefully before investing.

Data as of 12/31/19

AVERAGE ANNUAL RETURNS	1-YEAR	3-YEAR	5-YEAR	SINCE A SHARE INCEPTION	SINCE I SHARE INCEPTION
Calamos Hedged Equity Fund					
I Shares - at NAV (Inception-12/31/14)	14.47%	7.77%	5.87%	N/A	5.86%
A Shares - at NAV (Inception-12/31/14)	14.19	7.46	5.58	5.57	N/A
A Shares - Load adjusted	8.74	5.73	4.55	4.55	N/A
S&P 500 Index	31.49	15.27	11.70	11.70	11.70
Bloomberg Barclays U.S. Aggregate Bond Index	8.72	4.03	3.05	3.05	3.05
Morningstar Options-Based Category	14.59	5.59	4.33	3.56	3.56

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 4.75%. Had it been included, the Fund's return would have been lower. For the most recent fund month-end performance information visit www.calamos.com.

EXPENSE INFORMATION	A SHARES	C SHARES	I SHARES
Gross Expense Ratio [†]	1.48%	2.31%	1.27%
Net Expense Ratio ^{†*}	1.16%	1.91%	0.91%

[†]The Fund's investment advisor has contractually agreed to reimburse Fund expenses through March 1, 2022 to the extent necessary so that Total Annual Fund Operating Expenses (excluding taxes, interest, short interest, short dividend expenses, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, if any) of Class A, Class C, and Class I are limited to 1.25%, 2.00%, and 1.00% of average net assets, respectively. For the period of January 22, 2020 through February 28, 2021, the Fund's investment advisor has contractually agreed to reimburse Fund expenses to the extent necessary so that Total Annual Fund Operating Expenses (excluding taxes, interest, short interest, short dividend expenses, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, if any) of Class A, Class C, and Class I are limited to 1.15%, 1.90%, and 0.90% of average net assets, respectively. Calamos Advisors may recapture previously waived expense amounts within the same fiscal year for any day where the respective Fund's expense ratio falls below the contractual expense limit up to the expense limit for that day. This undertaking is binding on Calamos Advisors and any of its successors and assigns. This agreement is not terminable by either party.

^{*}As of prospectus dated 1/22/20.

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The views and strategies described may not be suitable for all investors. Opinions are subject to change due to changes in the market, economic conditions or changes in the legal and/or regulatory environment and may not necessarily come to pass. This information is provided for informational purposes only and should not be considered tax, legal, or investment advice. References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations.

Alternative investments may not be suitable for all investors.

An investment in the Fund(s) is subject to risks, and you could lose money on your investment in the Fund(s). There can be no assurance that the Fund(s) will achieve its investment objective. Your investment in the Fund(s) is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The risks associated with an investment in the Fund(s) can increase during times of significant market volatility. The Fund(s) also has specific principal risks, which are described below. More detailed information regarding these risks can be found in the Fund's prospectus.

The principal risks of investing in the Calamos Hedged Equity Fund include: covered call writing risk, options risk, equity securities risk, correlation risk, mid-sized company risk, interest rate risk, credit risk, liquidity risk, portfolio turnover risk, portfolio selection risk, foreign securities risk, American depository receipts, and REITs risks.

Covered Call Writing Risk—As the writer of a covered call option on a security, the Fund foregoes, during the option's life, the opportunity to profit from increases in the market value of the security, covering the call option above the sum of the premium and the exercise price of the call.

Options Risk—The Fund's ability to close out its position as a purchaser or seller of an over-the-counter or exchange-listed put or call option is dependent, in part, upon the liquidity of the option market. There are significant differences between the securities and options markets that could result in an imperfect correlation among these markets, causing a given transaction not to achieve its objectives. The Fund's ability to utilize options successfully will depend on the ability of the Fund's investment adviser to predict pertinent market movements, which cannot be assured.

Unmanaged index returns assume reinvestment of any and all distributions and do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index.

S&P 500 Index is generally considered representative of the U.S. stock market.

Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

Morningstar Options-based Category funds use options as a significant and consistent part of their overall investment strategy. Trading options may introduce asymmetric return properties to an equity investment portfolio. These investments may use a variety of strategies, including but not limited to: put writing, covered call writing, option spread, options-based hedged equity, and collar strategies. In addition, option writing funds may seek to generate a portion of their returns, either indirectly or directly, from the volatility risk premium associated with options trading strategies.

Among 114 Options-based funds. The Fund's load-waived Class I Shares had 4 stars for 3 years and 4 stars for 5 years out of 114 and 71 Options-based Funds, respectively, for the period ended 12/31/2019.

Morningstar Ratings™ are based on risk-adjusted returns and are through 12/31/19 for Class I shares and will differ for other share classes. Morningstar ratings are based on a risk-adjusted return measure that accounts for variation in a fund's monthly historical performance (reflecting sales charges), placing more emphasis on downward variations and rewarding consistent performance. Within each asset class, the top 10%, the next 22.5%, 35%, 22.5%, and the bottom 10% receive 5, 4, 3, 2 or 1 star, respectively. Each fund is rated exclusively against U.S. domiciled funds. The information contained herein is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Source: ©2020 Morningstar, Inc.

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