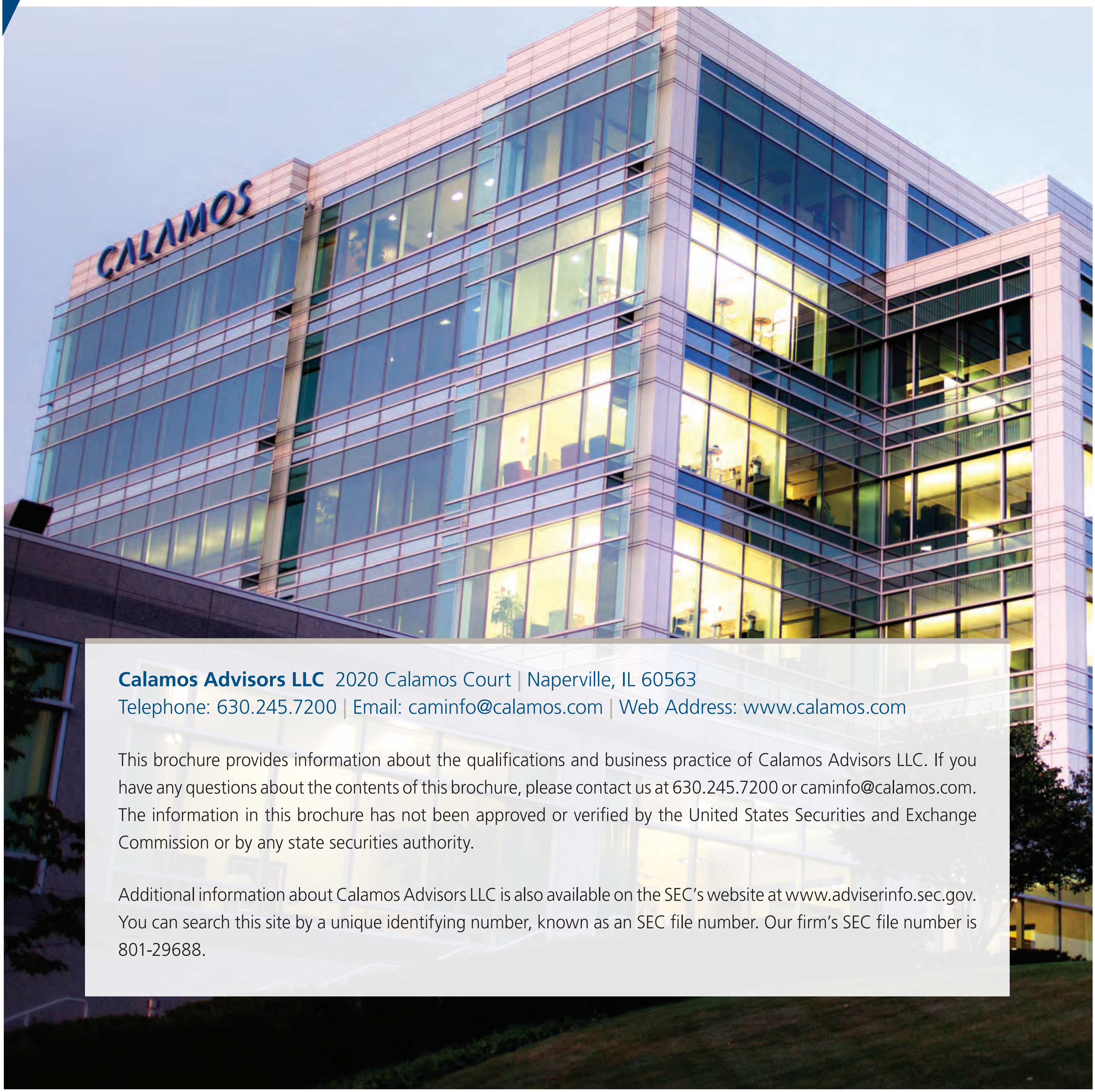
JUNE 2, 2017

PART 2A OF FORM ADV: FIRM BROCHURE

Calamos Advisors LLC

CALAMOS® INVESTMENTS



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This brochure provides information about the qualifications and business practice of Calamos Advisors LLC. If you have any questions about the contents of this brochure, please contact us at 630.245.7200 or caminfo@calamos.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Calamos Advisors LLC is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as an SEC file number. Our firm's SEC file number is 801-29688.

Item 2: Material Changes

Below are the material changes we have made to this brochure since the last annual update in March 2016.

Item 5: Fees and Compensation. The presentation of the standard fee schedule for Separate Accounts has been enhanced, and the descriptions of compensation received by Calamos and the related conflicts have been enhanced. There, however, have been no material changes to the fees paid to Calamos since this brochure was last updated.

Item 6: Performance-Based Fees and Side-By-Side Management. Item 6 has been amended to include a discussion of certain mutual funds that pay Calamos performance-based advisory fees. The discussion of conflicts related to the receipt of performance-based fees and side-by-side management and the policies and procedures designed to mitigate and manage those conflicts have also been enhanced.

Item 7: Types of Clients. Item 7 has been updated to identify Calamos' various types of clients and to clarify applicable investment minimums.

Item 8: Methods of Analysis Investment Strategies and Risk of Loss. Certain investment strategy risks have been updated and enhanced.

Item 10: Other Financial Industry Activities and Affiliations. Item 10 has been amended to provide additional information about risks and conflicts related to Calamos' and its affiliates investment activities.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading. Item 11 has been updated to disclose the various controls and policies and procedures Calamos has implemented to address conflicts of interests associated with its and affiliates' investment activities. Item 11 has also been updated to disclose conflicts created by the possession of material non-public information and to enhance the discussion of Calamos' cross-trade policies and procedures.

Item 12: Brokerage Practices. Item 12 has been amended to enhance the discussion of brokerage selection and best execution, research and other soft dollar benefits, and client directed brokerage. Item 12 has also been amended to enhance the discussion of aggregated trades and the allocation of investment opportunities.

Item 17: Voting Client Securities. An enhanced discussion of Calamos' proxy voting policies and procedures has been included in Item 12.

Item 3: Table of Contents

Item 4: Advisory Business

CORPORATE HISTORY

Calamos Advisors LLC is an investment adviser registered with the U.S. Securities and Exchange Commission (the "SEC") effective May 29, 1987 and a wholly owned subsidiary of Calamos Investments LLC ("CILLC"). Calamos Asset Management, Inc. ("CAM"), formerly a publicly-traded company listed on Nasdaq and traded under the symbol CLMS, went private effective February 21, 2017. CAM is the sole manager of Calamos Investments LLC, which owns and manages our operating companies. Unless the context otherwise requires, references to "we," "us," "our," "the firm," "our company" and "Calamos" refer to Calamos Advisors LLC.

The Firm's roots date back to 1977 when John P. Calamos, Sr. began serving clients with an emphasis on investment strategies that seek to maximize the potential of convertible securities to manage risk and build wealth. Our firm, headquartered in Naperville, Illinois, has grown throughout the decades and now includes offices based in New York, San Francisco, and London.

As of December 31, 2016, approximately 22% of the outstanding interests of Calamos Investments LLC was owned by Calamos Asset Management, Inc. and approximately 78% by Calamos Partners LLC ("CPL"). CPL is wholly owned by Calamos Holdings LLC, which in turn is wholly owned by Calamos Family Partners. Calamos Family Partners is owned by members of the Calamos family, including John P. Calamos, Sr.

INVESTMENT SERVICES

Since the introduction of the firm's first convertible strategy in 1977, Calamos has continued to expand its product offerings. In 1989, the firm introduced an equity strategy that invests in equity and equity sensitive securities, and in 1990, its U.S. equity growth strategy. In subsequent years, investment offerings expanded to include high yield, value, alternative, total return, enhanced fixed income, and most recently, global long/short investment strategies. Today, Calamos is a global asset manager.

The firm offers the following types of investment products: open-end mutual funds, closed-end funds, UCITS, institutional accounts, managed accounts, commingled privately placed funds and offshore funds. Products are distributed through Intermediaries, such as investment advisers and broker-dealers both in the U.S. and abroad; Institutional Platforms; and Wealth Management for high net worth individuals and private foundations. Calamos also provides discretionary investment management services directly to institutional investors. We also may serve as a sub-investment adviser to investment companies registered under the Investment Company Act of 1940, as amended (the "1940 Act").

We do not sponsor any "wrap-fee" programs but we participate as a non-discretionary sub-adviser in wrap-fee and unified managed account ("UMA") programs. In these programs, a third-party program sponsor offers our firm's strategies to its clients. We receive a fee from the third party as an investment adviser in these programs. We generally treat wrap-fee accounts as client directed brokerage accounts because the client's wrap fee covers certain execution costs on trades executed through the sponsor. (See **Item 12** for a discussion of directed brokerage).

The firm also provides model portfolios for particular investment strategies ("model portfolios") to wrap program sponsors in connection with third-party wrap programs and other similar arrangements in which we have entered. Under these arrangements, we provide a model portfolio containing our current investment recommendations based on one of our investment strategies and other investment parameters as agreed to between the firm and the wrap program sponsor. Although we provide recommendations, we do not have the authority or responsibility to implement those recommendations. Ultimately, the decision-making and discretionary responsibility for the determination of which securities are to be purchased and sold are those of the wrap program sponsor or another investment adviser designated by the wrap program sponsor. The wrap program sponsor is also responsible for effecting all security transactions in connection with such determinations. There may be differences between these model portfolios and the portfolios managed by the firm for its other clients, including cash availability, investment restrictions, account size, holding limits, tax considerations, trade executions and other factors. As a result, the performance of our discretionary advisory clients and that of the model portfolios using the same investment strategies will differ.

TAILORED SERVICES

For most types of accounts for which Calamos has investment discretion, we will allow clients to customize their investments, upon their request, by imposing reasonable investment restrictions on certain securities, industries or sectors. In these cases, the client will provide Calamos with written instructions. These requests are typically received at account inception but reasonable restrictions may be requested, in writing, at any time thereafter, and must be agreed to by Calamos.

OTHER

Calamos and its affiliates are not required to devote their full-time or attention to managing your assets. We conduct other business and also provide investment counseling services to other clients that may be competitive with the activities provided to you. In advising other accounts, we give advice and make recommendations to such accounts, which may be the same, similar to, or different from those rendered to you. The compensation arrangements with other clients may create incentives for us to favor such other clients.

John P. Calamos, Sr., Chairman and Global Chief Investment Officer, and his family have controlling interest in the firm. This affiliation creates a potential conflict of interest between our duty to act in your best interests while acting in the best interest of the firm.

Given the multiple potential services that Calamos may provide to a client (and/or to a Fund in which client may invest), conflicts of interest may arise. When using multiple Calamos (or affiliate) services and products (e.g., consulting and portfolio management), a client should be aware of the conflicts that may arise, consult its own advisor(s), and satisfy itself that the arrangement is appropriate and in its continuing best interests.

Calamos has implemented policies and procedures with controls designed to mitigate and manage the conflicts of interest that occur in our business, including those described above. These policies and procedures are described throughout this brochure and include requirements that Calamos employees act in the best interest of the client and trade aggregation and allocation procedures.

ASSETS UNDER MANAGEMENT

As of December 31, 2016 Calamos had approximately $18.3 billion in total assets under management. The firm also advised approximately $409 million in model based, non-discretionary assets.

Item 5: Fees and Compensation

SEPARATE ACCOUNTS

Separate accounts are individual portfolios of securities managed to meet clients’ unique needs and include institutional accounts and managed accounts. Generally, the minimum account size for a separate account ranges from $5 million - $25 million depending on the strategy selected. Separate account fees are based upon a percentage of assets under management, typically calculated and invoiced at the end of each calendar quarter, and are normally payable quarterly in arrears.

Below is the standard fee schedule.

STRATEGY NAME	MINIMUM INVESTMENT	INVESTMENT AMOUNT	FEES
U.S. All Cap Growth	$5,000,000	on first $25m	0.75%
		next $25m	0.70%
		next $25m	0.65%
		on balance	0.50%
International Growth & International Growth Concentrated	$25,000,000	on first $25m	0.90%
		next $25m	0.75%
		next $50m	0.65%
		on balance	0.60%
Global Growth	$25,000,000	on first $25m	0.90%
		next $25m	0.75%
		next $50m	0.65%
		on balance	0.60%
Emerging Economies & Emerging Market Equity	$25,000,000	on first $50m	0.95%
		next $50m	0.85%
		next $50m	0.80%
		on balance	0.70%
U.S. Convertible	$25,000,000	on first $25m	0.75%
		next $25m	0.70%
		on balance	0.65%
Global Convertible	$25,000,000	on first $25m	0.85%
		next $25m	0.70%
		on balance	0.65%
U.S. Opportunities	$25,000,000	on first $25m	0.75%
		next $25m	0.70%
		on balance	0.65%
Global Opportunities	$25,000,000	on first $25m	0.90%
		next $25m	0.75%
		next $50m	0.65%
		on balance	0.60%
Phineus Long/Short Equity	$10,000,000	on first $25m	1.25%
		next $25m	1.00%
		next $50m	0.90%
		on balance	0.80%
Covered Call	$25,000,000	on first $25m	0.60%
		next $25m	0.50%
		on balance	0.45%

STRATEGY NAME	MINIMUM INVESTMENT	INVESTMENT AMOUNT	FEES
U.S. High Income	$25,000,000	on first $50m	0.60%
		next $50m	0.50%
		on balance	0.40%
Dynamic Intermediate Tax-efficient	$10,000,000	on first $10m	0.40%
		next $15m	0.30%
		next $25m	0.25%
		next $50m	0.20%
		next $150m	0.15%
		on balance	0.10%
Intermediate Insurance	$10,000,000	on first $10m	0.40%
		next $15m	0.30%
		next $25m	0.25%
		next $50m	0.20%
		next $150m	0.15%
		on balance	0.10%

A description of the investment strategies available in separate accounts is provided in **Item 8.**

Limited Negotiability of Advisory Fees: Although Calamos has established the standard fee structure set forth above, we retain the discretion to negotiate or waive fees on a client-by-client basis. Also, pre-existing advisory clients are subject to our minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship with us. Therefore, the applicable minimum account requirements as well as advisory fees paid will differ among clients, and other clients may pay less than you or have lower minimums.

In determining the fee structure for your account, we consider the nature of our proposed advisory relationship with you. The nature of our proposed advisory relationship is determined by the assets to be placed under our management, anticipated future additional assets, services provided, the existence of related accounts, account type, portfolio style, account composition, and reporting, among other factors. We may group certain related accounts for the purposes of meeting the minimum account size requirements and determining the annualized fee. Your specific annual fee structure is described in your investment advisory agreement.

Discounts are offered to the firm's employees, their family members and friends.

It should be noted that while we believe our fees are reasonable, similar advisory services may be available from other investment advisers for lower fees. Similarly, certain of the investment products that we recommend for your account may be available through other brokers or intermediaries that are not affiliated with Calamos.

The only compensation received by Calamos for effecting securities transactions for clients is its advisory fees. Calamos may also receive certain non-financial soft dollar benefits. See **Item 12** Brokerage Practices for more details.

Termination of the Advisory Relationship: Under our current form of the advisory agreement, the agreement may be terminated at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of your account, any prepaid, unearned fees will be refunded to you promptly. Calamos will issue you an invoice for any unpaid fees, which should be paid promptly. In calculating your remaining fee or reimbursement, we will prorate the fee or reimbursement according to the number of days remaining in the billing period.

"WRAP-FEE" AND SIMILAR ARRANGEMENTS

Calamos participates in several "wrap-fee" and unified managed accounts ("UMA") programs (collectively, the "Programs"), which are sponsored by unaffiliated investment advisory and/or brokerage firms (each a "Sponsor" and collectively, the "Sponsors"). As a client in a Program, you should carefully review the Appendix 1 of the Sponsor's Form ADV Part 2A for complete details regarding the Program. The typical minimum account size is $75,000 to $100,000 depending on the strategy and Sponsor minimums. Calamos reserves the right to waive or reduce the minimum account size at our discretion. A client participating in these Programs should be aware that the Program Sponsor will charge various program fees in addition to the advisory fee charged by Calamos. All such fee disclosures are provided in the Program Sponsor's Form ADV Part 2A.

MUTUAL FUNDS

We receive investment advisory and administration fees as a service provider to the Calamos Family of Funds (the "Mutual Funds"), which are registered under the 1940 Act. These fees are described in the Mutual Funds' registration statements and shareholder reports including the funds' prospectuses, which are available online at http://www.calamos.com/FundInvestor/LiteratureLibrary. These fees include a management fee, other fund expenses and distribution fees. We may also act as sub-adviser to other unaffiliated mutual funds and the fees associated with those funds are described in the registration statements and/or financial filings of those funds.

Certain Calamos supervised persons and related sales personnel are also associated with Calamos Financial Services LLC, an affiliated limited purpose broker-dealer, and in that capacity engage in marketing or selling activities with respect to shares in the Mutual Funds. Supervised persons and related sales personnel are compensated for successful marketing or selling activities with respect to shares in the Mutual Funds. These compensation arrangements create potential conflicts of interest that may give Calamos and its supervised persons and related sales personnel an incentive to recommend particular Mutual Funds to potential investors based on the compensation received, rather than on a Mutual Fund investor's needs. The Calamos Mutual Funds website at:

http://www.calamos.com/~/media/FundInvestor/Literature/Wholesaler/CalamosInvestmentsWholesalerCompensation_FocusFunds.pdf

The link above provides information describing Wholesaler Compensation. Additionally, the Mutual Funds' prospectuses provide additional details to help prospective investors understand potential conflicts of interest associated with the compensation of the intermediaries that sell fund shares.

CLOSED-END FUNDS

The investment advisory fees that we receive as an investment adviser to the Calamos Closed-End Funds are described in the registration statements and/or financial filings of those funds. Registration Statements, financial filings and press releases are also available online at *http://calamos.com/FundInvestor/LiteratureLibrary*.

UNDERTAKING FOR COLLECTIVE INVESTMENTS

Calamos serves as investment manager to the Calamos Global Funds plc, an umbrella fund with variable capital formed as UCITS and authorized by the Irish Central Bank. The investment management fees that we receive are described in the prospectus of the Calamos Global Funds plc, which is available online at *http://www.calamos.com/Global/LiteratureLibrary*. The UCITS are available to non-U.S. clients only.

POOLED INVESTMENT VEHICLES

Calamos serves as the investment adviser to the Calamos Advisors LLC Master Group Trust Global Opportunities Trust ("Group Trust"). The fees relating to the Group Trust are described in the investment management and investment advisory agreements between Calamos and the Group Trust.

Our firm also serves as General Partner and investment adviser to the Calamos Global Opportunities Fund Limited Partnership (the "LP"). Fees relating to the LP are further described in the Confidential Private Offering Memoranda. These products are available to accredited investors only.

Calamos serves as the Investment Manager and General Partner to the Calamos Ares Quant Fund I, LP. This fund is not currently offered to investors.

CUSTODY FEES

Calamos does not maintain custody of account assets. Rather, you must establish a custody account with an unaffiliated custodian. Your custodian will charge fees for providing custody services for the assets held by them.

OTHER FEES OR EXPENSES

In addition to the fees and expenses described in the foregoing section, you will also pay costs such as brokerage commissions and equivalents, markups and markdowns, transaction fees, custodial fees, transfer taxes, wire transfer fees, and other fees and taxes charged to brokerage accounts and securities transactions, which are in addition to the advisory fee collected by Calamos. See **Item 12** for more details.

Open-end mutual funds and closed-end funds are subject to various fees and expenses, including administrative, custody and other fees and are borne by investors. These fees are disclosed in the fund's prospectus and/or financial filings.

As noted above, any taxes incurred are in addition to the advisory fee collected by Calamos, and you should understand that the purchases and sales of the securities, including those resulting from reallocation or rebalancing of your account, may be taxable events.

Item 6: Performance-Based Fees and Side-By-Side Management

PERFORMANCE-BASED FEES

Calamos or an affiliate may receive performance-based or incentive fees from you or funds in which you invest. Performance fees are based on a share of capital gains on, or capital appreciation of, the assets in your account(s). You should be aware that performance-based fee arrangements may create an incentive for us to recommend investments that may be riskier or more speculative than those which would be recommended under a different fee arrangement. We may also have an incentive to favor accounts that pay such performance-based fees because compensation we receive from these clients may be higher.

Calamos is the adviser to two mutual funds that make fee adjustments based on fund performance. Calamos International Growth Fund and Calamos Global Equity Fund each pays a base fee, subject to possible adjustment based on the fund's performance, as described in the Fund's prospectus. The payment and calculation of the performance adjustment is subject to the ultimate supervision of the board of trustees of the funds, and the board has the authority to terminate the contractual expense reimbursement agreement at any time. Calamos may receive a positive performance adjustment even if the fund has a negative return over a performance measurement period if it otherwise outperforms its respective index during that period.

A portfolio manager may also be faced with a conflict of interest when allocating investment opportunities, given the possibility of greater fees from accounts that pay performance-based fees as opposed to accounts that do not pay performance-based fees.

To the extent that Calamos receives performance fees or allocations from a Client or otherwise receives higher performance fees or allocations or investment management fees than it does with respect to Clients generally, Calamos may have an economic incentive to allocate additional resources or investment professionals to such Client and, to the extent such resources are limited, away from other Clients.

For additional information on allocation issues and our practices, please refer to **Item 12** "Brokerage Practices".

To address these types of conflicts, we have adopted policies and procedures pursuant to which allocation decisions may not be influenced by fee arrangements and investment opportunities will be allocated in a manner that we believe to be consistent with our obligations as an investment adviser. To further manage these types of conflicts, we have implemented Side-by-Side Management policies and procedures, which are discussed in greater detail below, that are designed in part to manage and mitigate the potential conflicts arising from the management of traditional investment portfolios alongside alternative investment portfolios, including conflicts arising from differences in fee structures.

Compensation for investment professionals includes a competitive base salary, an annual discretionary cash bonus (driven by investment, company and individual performance) as well as certain long-term incentives. The annual cash bonus for the Portfolio Managers is driven by several key factors, including investment performance relative to a competitive peer universe and benchmarks, net flows (AUM growth) and overall firm profitability. Each Portfolio Manager is assessed on how well their respective strategies perform relative to a competitive peer universe and benchmarks over short and long-term periods. The performance of each team and their contribution to attaining the firm's goals is measured when determining incentives. In addition to the formulaic analyses, subjective factors such as investment acumen/learning, leadership, accountability, mentoring, client and prospect interaction and engagement are also considered.

Compensation structure for Portfolio Managers generally does not differentiate between the funds or other accounts managed by the Portfolio Managers, and is determined as described above, with the exception of the Portfolio Manager for Calamos Phineus Long/Short Fund and Calamos Growth Fund. In addition to the forms of compensation described above, the Portfolio Manager for Phineus Long/Short Fund is also eligible to receive certain amounts proportionate to advisory fees (not incentive fees) received from certain other accounts for which he provides Portfolio Manager services, as well as amounts to be determined based on asset levels within the Calamos Phineus Long/Short Fund, subject to various conditions. The existence of these payments could create a conflict of interest with regard to the Portfolio Manager's allocation of investment opportunities among the accounts for which he acts as Portfolio Manager.

From time to time Calamos may charge a fixed account level advisory fee for its advisory services. When charging a fixed account level advisory fee, Calamos faces a conflict of interest when allocating clients' assets because it may have an incentive to invest in investment vehicles that charge lower fees. This conflict is addressed through required disclosure. Additionally, Calamos has policies and controls in place to govern and monitor its activities and processes for identifying and managing conflicts of interest. Please refer to the offering document for the pooled investment vehicles in which your account is invested for additional information and disclosure related to fees and potential conflicts of interest.

Calamos has in place policies and procedures designed to mitigate or manage such conflicts of interest.

Side-by-Side Management

The Portfolio Manager for Calamos Phineus Long/Short Fund also manages Calamos Growth Fund. The Portfolio Manager receives additional compensation based on asset levels within Phineus Long/Short Fund. The same is not true for Calamos Growth Fund so the Portfolio Manager is incentivized to favor Calamos Phineus Long/Short Fund over Calamos Growth Fund.

The Portfolio Manager also sub-advises a non-Calamos account (private fund) for which he is eligible to receive certain amounts proportionate to advisory fees (not incentive fees) received from this account. The primary adviser for the fund does not pay performance-based fees, therefore the Portfolio Manager is not incentivized to favor this outside account over Calamos accounts. Calamos has adopted policies and procedures to mitigate or manage these conflicts as discussed below.

To manage these conflicts, we have implemented Side-by-Side Management policies and procedures designed to set out specific requirements regarding the side-by-side management of traditional investment portfolios (e.g., long-only portfolios) and alternative investment portfolios in order to manage potential conflicts of interest, including without limitation, those associated with any differences in fee structures, investments in the alternative investment portfolios by Calamos or its employees and trading-related conflicts (including conflicts of interest that may also be raised when Calamos investment teams take conflicting (i.e., opposite direction) positions in the same or related securities for different accounts). In addition, we have established a Side-by-Side Management Committee that seeks to ensure that such conflicts are reviewed and managed appropriately.

Item 7: Types of Clients

Calamos provides investment management services to:

- institutional clients such as corporations and financial institutions
- registered investment companies or mutual funds
- closed-end funds
- charitable institutions, foundations and endowments
- corporate pensions, profit sharing and other retirement plans
- municipalities
- individuals
- Taft-Hartley plans
- Pooled investment vehicles

The minimum account size for separate accounts is either $5 million or $25 million, depending upon the strategy selected. The minimum account size for wrap-fee and UMA programs is typically $75,000 to $100,000, depending on the strategy and plan sponsor minimums.

Calamos reserves the right to waive or reduce the minimum account size at our discretion.

See **Item 5** above for additional information**.**

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

We believe our edge or value as an investment manager is our ability to evaluate businesses strategically by marrying top-down insights with rigorous bottom-up fundamental research. We employ an active, high-conviction investment approach to building portfolios. A collaborative team-managed approach allows us to fully evaluate all elements of an investment idea. Top-down perspective, proprietary fundamental research and risk-management drive the portfolio construction process across all strategies.

Our investment organization is structured so that each portfolio management team maintains a dedicated focus on their area of expertise, while drawing on our shared perspectives. We believe this focus on specialization is essential because the diverse investment strategies we offer require distinct skill sets to capitalize on investment opportunities.

Chaired by John P. Calamos, Sr., the Calamos Investment Committee establishes our firm's top-down views on the macro environment, market direction, country/sector positioning, asset allocation, and secular/cyclical themes. These views inform our economic outlook and broad thematic perspectives, providing direction for fundamental research and portfolio construction. The Investment Committee is also responsible for reviewing portfolio risk metrics, positioning, and investment performance across strategies, as well as recommending enhancements to the investment process.

The Calamos Investment Committee is composed of the following members:

- John P. Calamos, Sr., Founder, Chairman, Global CIO
- Dave Butler, EVP, Head of Global Trading and Investment Risk Management
- Matt Freund, CFA, Co-CIO, Head of Fixed Income Strategies, Senior Co-Portfolio Manager
- Michael Grant, SVP, Senior Co-PM, Global Long/Short and U.S. Growth Strategies
- John Hillenbrand, CPA, Co-CIO, Head of Multi-Asset Strategies and Co-Head of Convertible Strategies, Senior Co-Portfolio Manager
- Paul Mitchell, CFA, SVP, Director of Research
- Nick Niziolek, CFA, Co-CIO, Head of International and Global Strategies, Senior Co-Portfolio Manager
- Eli Pars, CFA, Co-CIO, Head of Alternative Strategies and Co-Head of Convertible Strategies, Senior Co-Portfolio Manager

Our bottom-up research utilizes both qualitative and quantitative criteria. Quantitative research provides a starting point that allows us to target investment candidates for deeper qualitative analysis.

Risk management is a shared function across the investment team undertaken by the co-Portfolio Managers and research analysts on a daily basis as we analyze risk at the issuing company, security and portfolio levels as well as across our investment firm. Our strategies also benefit from the contributions of a dedicated team focused on risk management. See also Risk Factors below.

Investment Process: Equity and convertible strategies

Our growth equity, value equity and convertible strategies pair bottom-up fundamental research with our top-down analysis of secular themes, macro trends and other factors. Our strategies benefit from a team-based approach and decades of experience. While we view ourselves as fundamental investors, our research blends both qualitative and quantitative analysis, with the latter helping to frame and focus our deeper fundamental research. Before investing, we carefully consider a security's impact on a portfolio's industry and sector allocations, referencing our macroeconomic outlook and thematic considerations. We also utilize quantitative analysis to help us more efficiently analyze fundamental and market dynamics.

Since our founding in the 1970s, our capabilities have included comprehensive capital research. We believe this experience is a key differentiator that can help us identify the most compelling opportunities from a risk/reward standpoint and the market dynamics affecting pricing and risk. Company analysis includes identifying opportunities from a bottom-up perspective. The end goal is to determine the economic value of a company. We evaluate the overall attractiveness of a business—how fast its market is growing, the company’s distinctive competiveness, its ability to grow its market share and improve its profitability. We analyze a business as would a buyer of the entire company; this involves developing an investment thesis that incorporates growth drivers, potential risks, and valuations. Once we understand the value of a business, we seek to determine the value of each security across the company's capital structure and closely analyze each security's upside and downside potential.

Our research process lends itself to identifying both growth and value opportunities. In our growth-oriented portfolios, we seek companies that offer above average and sustainable growth potential. In our value portfolios, we seek stable companies (e.g., those that are effective stewards of capital with quality management) that are undervalued by the market but have a near-term catalyst that we believe can move their security prices higher. Additionally, we incorporate our own credit analysis as part of our convertible research process as well as part of our capital structure research.

Investment Process: Alternatives

Long/Short

U.S. Process: The U.S. investment process is led by a fundamental bottom-up approach that seeks long and short opportunities in companies that exhibit enduring (on the long side) or eroding (on the short side) franchise value.

Central to the philosophy is a rigorous and collaborative process of fundamental research on companies and industries. This includes proprietary and independent research as well as analysis of publicly available information. The approach emphasizes 1) a multi-year perspective of corporate prospects; 2) the ability to incorporate a global perspective when analyzing U.S. companies; and 3) analytical breadth and lateral thinking when judging technological shifts and their impact upon business models.

While investments are rarely sourced on the basis of a macro view, the process is alert to macro risks as well as rotational, liquidity, correlation and other risks. Quantitative tools are used to monitor the exposure to style and other common risk factors.

Global Process: The global investment process is fundamental and incorporates a blend of top-down and bottom up considerations. The approach emphasizes 1) a comprehensive assessment of what drives share prices; 2) how companies and industries are analyzed; and 3) the flexible management of style, capitalization and country factors. While the approach is primarily derived from the team's assessment of corporate and economic fundamentals, all investment styles are considered depending upon a company's business model, prevailing market conditions and the economic cycle.

The portfolio aims to achieve its investment objective primarily by investing globally in publicly listed equity securities of issuers that operate in the knowledge-based sectors such as technology, communications and media, as well as financial services and healthcare, and other investment companies, including exchange-traded funds ("ETFs") that track or otherwise provide exposure to such sectors. We believe that the heterogeneous, disruptive and volatile nature of many of these sectors are well suited for long/short equity investing. Other sectors are considered if, in the Advisor's opinion, such long and short exposures have favorable potential for contributing value. The strategy may maintain long and short positions through the use of derivative instruments such as options, futures and forward contracts. The strategy may also invest in cash and equivalents.

Market Neutral Income and Hedged Equity Income

For our Market Neutral Income and Hedged Equity Income strategies, the team employs a combination of rigorous quantitative and fundamental research to evaluate securities that may offer compelling hedging opportunities. The team's analysis of volatility, valuation research, and the identification of market mispricing or dislocations lead to investment ideas in the convertible arbitrage portion of alternative strategies. Analysis of valuation, correlation, tracking error, and volatility pricing are utilized in the hedged equity portion.

Investment Process: Fixed Income

For our fixed income portfolios, rigorous proprietary analysis drives fundamental security selection. Co-Portfolio Managers, analysts, and traders work collaboratively to execute a fundamental, research based, bottom-up investment process. Analysis encompasses a range of factors, including industry positioning, modeling of cash flow, balance sheet projections and full capital structure analysis. We also focus on the pricing of risk, including probability-weighted total return scenario analysis. In our portfolio construction process, we establish a risk framework and identify performance drivers, considering industry and company diversity, and portfolio characteristics, among many factors. Portfolio construction also reflects our macro perspectives and liquidity analysis. We monitor strategies continually to ensure that returns are being generated from intended risks. Our monitoring includes daily attribution at credit quality, industry and security levels, as well as spread and interest rate risk and scenario analysis. In addition to qualitative analysis and proprietary tools, the team utilizes quantitative and third-party tools and services in the selection and surveillance of securities.

INVESTMENT STRATEGIES

To meet the diverse investment requirements of clients, we offer a range of investment strategies, including growth equity, convertible, alternative, high yield/fixed income, and value.

GROWTH EQUITY STRATEGIES

We offer strategies that seek capital appreciation by investing in a range of global companies of various market capitalizations.

Global Growth – A global all-cap growth equity strategy that seeks to invest in the common stocks of global growth companies.

International Growth – A non-U.S. all-cap equity strategy that invests in the common stocks of growth companies based outside of the United States.

Emerging Economies – A risk-managed, emerging market strategy that seeks exposure to emerging economies.

Emerging Market Equity – A growth-oriented emerging market equity strategy that invests in common stocks of emerging market-domiciled companies.

U.S. All Cap Growth – A primarily U.S. all-cap growth equity strategy that invests in the common stock of growth companies.

U.S. Mid Cap Growth – A mid-cap growth equity strategy that invests primarily in the common stocks of U.S. mid-capitalization companies in high-growth industries.

Dividend Growth- A growth equity strategy that seeks to deliver income and capital appreciation by focusing on dividend paying equities.

Large Cap Growth – A large-cap growth equity strategy that seeks to invest in common and preferred stocks of well-established, well-known and financially viable companies.

Global Opportunities – An actively managed global strategy that seeks to leverage our capital structure research by investing in equities and equity-sensitive securities of global companies, in an effort to generate consistent alpha and manage downside volatility.

U.S. Opportunities – An actively managed U.S. strategy that seeks to leverage our capital structure research by investing in equities and equity-sensitive securities, in an effort to generate consistent alpha and manage downside volatility.

CONVERTIBLE STRATEGIES

Strategies that seek to pursue equity market upside with potentially less downside than an all-equity portfolio, by investing primarily in convertible securities.

Global Convertible – A global convertible strategy that seeks to leverage our capital structure research by investing in convertible securities, in an effort to generate consistent alpha and manage downside volatility.

U.S. Convertible – A U.S. convertible strategy that seeks to leverage our capital structure research by investing in convertible securities, in an effort to generate consistent alpha and manage downside volatility.

FIXED INCOME STRATEGIES

Dynamic Intermediate Tax-Efficient – A fixed income strategy that invests in investment grade securities with maturities of 10 years or less.

High Income – A total return high-income debt strategy that invests in a broad universe of high-yield corporate debt and higher-yielding convertible securities.

Intermediate Insurance – A fixed income strategy that invests in investment grade securities with maturities of 10 years or less.

U.S. Core Plus – An investment grade total return strategy that seeks preservation of capital and prudent investment management, through income earned on investments, plus capital appreciation.

ALTERNATIVE STRATEGIES

Long/Short – A fundamental, global process that incorporates a blend of top-down and bottom-up considerations as the advisor employs a flexible asset allocation across the global equity universe. The strategy allows for all investment styles (growth, value, etc.) to be considered.

Covered Call – A low volatility, U.S. equity strategy that invests in a broadly diversified portfolio of U.S. common stock while also writing (selling) index call options and/or entering into other option strategies on equity securities and/or broad based indices.

Market Neutral – A low volatility, strategy that invests in convertible arbitrage and covered call strategies. Convertible arbitrage includes the purchase of convertible securities and the shorting of stock related to the underlying equity of the convertible holding. Covered call includes a broadly diversified portfolio of U.S. common stock while also writing (selling) index call options and/or entering into other option strategies on equity securities and/or broad based indices.

VALUE EQUITY STRATEGY

An ***All-cap Value*** – A strategy that seeks to identify and invest in high quality businesses trading at value prices.

RISK FACTORS

All investment programs carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. Considering risk of loss is a key aspect of our investment approach. Depending on the types of strategies you invest in, you may face the following investment 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. A strategy may receive unscheduled prepayments of principal before the security's maturity date due to voluntary prepayments, refinancing, or foreclosures on the underlying mortgage loans. To a strategy this means a loss of anticipated interest and a portion of its principal investment represented by any premium the strategy 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 a strategy 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 a strategy because the strategy may have to reinvest that money at the lower prevailing interest rates. A strategy'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 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, a strategy 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 changes in interest rates, 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 a strategy purchases asset-backed or mortgage-backed securities that are "subordinated" to other interests in the same pool of assets, the strategy 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 strategy 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 is generally 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 strategy 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 a strategies' NAV and total return adversely during the time the strategy holds these securities.

Alternative Strategy Risk: The alternative investment strategies are speculative and entail substantial risks in addition to those discussed above. The investment practices of these strategies could result in substantial losses. There can be no assurance that the alternative strategies will be profitable or the investment objective will be achieved.

American Depositary Receipts (ADRs) Risk: Positions in those securities are not necessarily denominated in the same currency as the common stocks into which they may be converted. ADRs are receipts typically issued by an American bank or trust company evidencing ownership of the underlying securities. Generally, ADRs, in registered form, are designed for the U.S. securities markets. An account may invest in sponsored or unsponsored ADRs. In the case of an unsponsored ADR, a portfolio is likely to bear its proportionate share of the expenses of the depository and it may have greater difficulty in receiving shareholder communications than it would have with a sponsored ADR.

BREXIT Risk: The UK held a referendum on 23 June 2016 at which the electorate voted to leave the EU. The Prime Minister of the UK invoked Article 50 of the Treaty of Lisbon (the "Treaty") in March of 2017. The Treaty provides for a two year negotiation period which may be shortened or extended by agreement of the parties. During, and possibly after, this period there is likely to be considerable uncertainty as to the position of the UK and the arrangements which will apply to its relationships with the EU and other countries following its withdrawal. This uncertainty may affect other countries in the EU, or elsewhere, if they are considered to be impacted by these events.

The Company and certain of the strategies' investments may be located or listed on exchanges in the UK or EU, and may as a result be affected by the events described above. The impact of such events on the firm and its strategies is difficult to predict but there may be detrimental implications for the value of certain of the strategies' investments, or its ability to enter into transactions or to value or realize such investments.

Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

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

When evaluating potential investments for a strategy, we independently assesses credit risk and its potential impact on the strategies portfolio. In addition, the 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 credit risk and higher credit ratings typically correspond to lower perceived risk. Credit ratings do not provide assurance against default or other loss of money. We may attempt to minimize a strategies' overall credit risk by: 1. primarily investing in fixed-income securities considered at least investment grade at the time of purchase and/or 2. by diversifying the strategies' 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, a strategy generally would suffer a smaller loss than if the strategy were concentrated in relatively large holdings with highly correlated risks.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Cyber Security Risk: With the increased use of technologies such as the Internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

Derivatives Risk: Options, futures and other derivatives involve risks and are not suitable for everyone. Such trading can be speculative in nature and carry substantial risk of loss, including the loss of principal.

Emerging Market Country Risk: Some of the exchanges in which a strategy may invest may be less well-regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a strategy may liquidate positions to meet redemption requests or other funding requirements. Investment in emerging markets may also give rise to currency risks.

Emerging Market Countries involve risks such as immature economic structures, national policies restricting investments by foreigners, and different legal systems. The marketability of quoted shares in emerging market countries may be limited as a result of wide dealing spreads, the restricted opening of stock exchanges, a narrow range of investors and limited quotas for foreign investors. Therefore, a strategy may not be able to realize its investments at prices and times that it would wish to do so. Some emerging market countries may also have different clearance and settlement procedures, and in certain countries there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct transactions. Costs associated with transactions in developing country or Emerging Market Country securities are generally higher than those associated with transactions in developed country securities.

Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Fixed Income Risks: Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk, credit risk, and market risk, which could reduce the yield that an investor receives from his or her portfolio. These risks may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets.

Foreign (Non-U.S.) Securities Risk: Risks associated with investing in foreign (non-U.S.) securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. Dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in U.S. markets.

Frequent Trading and Portfolio Turnover Risk: It is expected that certain strategies will make frequent trades in securities and other investments. Frequent trades typically result in higher transaction costs. In addition, these strategies may invest on the basis of short-term market considerations. The turnover rate within these strategies may be significant, potentially involving substantial brokerage commission and fees. As a result, it is anticipated that a significant portion of any income or gains in these strategies, if any, may be derived from ordinary income and short-term capital gains.

Frontier Markets Risk: Investments in frontier markets are subject to a greater risk of loss than investments in more developed and traditional emerging markets. Frontier markets are more likely to experience inflation, currency and liquidity risks, political turmoil and rapid changes in economic conditions than more developed and traditional emerging markets. Frontier markets often have less uniformity in accounting and reporting requirements, unreliable securities valuation and greater risk associated with custody of securities.

Futures Risk: Futures are standardized contracts between two parties to buy or sell a specified asset or index with a standardized quantity for a price agreed upon today with delivery and payment occurring at a delivery date.

They are negotiated on an exchange acting as an intermediary between parties. A strategy may enter into futures transactions as either the buyer or seller and may combine them to form a particular trading strategy as well as use futures for reducing an existing risk.

Futures markets may be highly volatile. To the extent a strategy engages in transactions in futures contracts, the profitability of the strategy will depend to some degree on the ability of the Investment Manager to analyze correctly the futures markets, which are influenced by, among other things, changing supply and demand relationships, governmental policies, commercial and trade programs, world political and economic events and changes in interest rates. Moreover, options contracts on futures involve additional risks including, without limitation, leverage and credit risk vis-à-vis the contract counterparty.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations or exchanges or the Commodities and Futures Trading Commission in the U.S. may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only.

High-Yield Fixed-Income Securities Risk: Investment in junk bonds entails a greater risk than an investment in higher-rated securities. Although junk bonds typically pay higher interest rates than investment-grade bonds, there is a greater likelihood that the company issuing the junk bond will default on interest and principal payments. In the event of an issuer's bankruptcy, claims of other creditors may have priority over the claims of junk bond holders, leaving few or no assets to repay them. Junk bonds are also more sensitive to adverse economic changes or individual corporate developments than higher quality bonds. During a period of adverse economic changes, including a period of rising interest rates, companies issuing junk bonds may be unable to make principal and interest payments.

Interest-Rate Risk: The value of fixed-income securities generally decreases in periods when interest rates are rising. In addition, interest rate changes typically have a greater effect on prices of longer-term fixed-income securities than shorter-term fixed-income securities.

A strategy 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 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 maturity 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 maturities generally offer higher yields than bonds with shorter duration. If interest rates increase, the yield of a strategy may increase and the market value of the strategies' securities may decline, adversely affecting the strategies' NAV and total return.

If interest rates decrease, the yield of a strategy may decrease and the market value of the strategies' securities may increase, which may increase the strategies' NAV and total return.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Leverage Risk: Certain strategies and/or funds/portfolios have the power to borrow funds and utilize leverage through various methods (including margin, futures and swaps), and may do so when deemed appropriate by the portfolio management team, including to finance its trading operations, to enhance a strategy or fund's returns and to satisfy withdrawals that would otherwise result in the premature liquidation of investments. Such leverage, which may be substantial, may be achieved through, among other methods, purchases of securities on margin and the use of options, futures, forward contracts, repurchase and reverse repurchase agreements and swaps. The purchase of options, futures, forward contracts, repurchase agreements, reverse repurchase agreements and equity swaps generally involves little or no margin deposit and, therefore, provides substantial leverage. Accordingly, relatively small price movements in these financial instruments may result in immediate and substantial losses to a client's portfolio.

Portfolios may borrow funds from brokers, banks and other lenders. In some of our strategies and/or funds, there is no limit on the amount of leverage that may be utilized. The use of leverage can dramatically magnify both gains and losses, increasing the possibility of a total loss of investment. Trading securities on margin results in interest charges and, depending on the amount of trading activity, such charges could be substantial. The level of interest rates generally, and the rates at which Portfolios can borrow in particular, can affect the operating results of those Portfolios. Any restriction on the availability of credit from lenders could adversely affect the Portfolio's performance.

Leverage achieved by a Portfolio through margin borrowings requires a Portfolio to post collateral with brokers and counterparties that provide financing to the Portfolio. Brokers and counterparties have broad discretionary authority over valuation of a Portfolio's assets they hold, and the amount of collateral required. A broker or counterparty may have the right (i) reduce the valuation of a Portfolio's assets they hold, including collateral posted by the Portfolio; (ii) require the Portfolio to post additional collateral; and/or (iii) reduce unilaterally the credit extended to a Portfolio for a number of reasons, including reasons that have no bearing on the creditworthiness of the Portfolio. Any such action by a broker or counterparty could lead to a margin call on the Portfolio or result in the Portfolio having to sell assets at a time when the Portfolio would not otherwise choose to do so. If the Portfolio does not meet a margin call in accordance with the relevant financing agreement, the broker or counterparty may declare the Portfolio in default and liquidate the Portfolio's assets held by the broker or counterparty.

Liquidity Risk: When consistent with a client's investment objectives, guidelines, restrictions and risk tolerances, we may invest portions of client portfolios in illiquid securities, subject to applicable investment standards. Investing in an illiquid (difficult to trade) security may restrict its ability to dispose of investments in a timely fashion or at an advantageous price, which may limit the ability to take full advantage of market opportunities.

Market Risk: The risk that the securities markets will increase or decrease in value is considered market risk and applies to any security. If there is a general decline in the stock market, it is possible your investment may lose value regardless of the individual results of the companies in which a strategy or Fund invests.

Non-Diversification Risk: Investments that are concentrated in one or few industries or sectors may involve more risk than more diversified investments, including the potential for greater volatility.

Other Investment Companies (including ETFs) Risk: Investments in the securities of other investment companies, including ETFs, may involve duplication of advisory fees and certain other expenses. By investing in another investment company or ETF, the fund becomes a shareholder thereof. As a result, fund shareholders indirectly bear the fund's proportionate share of the fees and expenses indirectly paid by shareholders of the other investment company or ETF, in addition to the fees and expenses fund shareholders bear in connection with the fund's own operations. If the investment company or ETF fails to achieve its investment objective, the value of the fund's investment will decline, adversely affecting the fund's performance. In addition, closed end investment company and ETF shares potentially may trade at a discount or a premium and are subject to brokerage and other trading costs, which could result in greater expenses to the fund. In addition, the fund may engage in short sales of the securities of other investment companies. When the fund shorts securities of another investment company, it borrows shares of that investment company which it then sells. The fund closes out a short sale by purchasing the security that it has sold short and returning that security to the entity that lent the security.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Securities Lending Risk: A Fund or strategy may lend its portfolio securities to broker-dealers and banks in order to generate additional income for the Fund. Any such loan must be continuously secured by collateral in cash or cash equivalents maintained on a current basis in an amount at least equal to the market value of the securities loaned by the Fund. In the event of bankruptcy or other default of a borrower of portfolio securities, a Fund or strategy could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period which the Fund seeks to enforce its rights thereto, (b) possible sub-normal levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights. In an effort to reduce these risks, the Investment Manager will monitor the creditworthiness of the firms to which a Fund lends securities. Although not a principal investment strategy, a Fund may engage in securities lending to a significant extent.

Short Positions Risk: A short sale of an instrument entails the theoretical risk of an unlimited increase in the market price of that instrument, which can in turn, result in significant losses to a client. Purchasing instruments to close out a short position in such instruments can itself cause the price of the instrument to rise further, increasing losses. Furthermore, a client may prematurely be forced to close out a short position in a security if a lender of such security demands the return of the security sold short.

Small/Mid Cap Risk: Stocks of small or mid cap emerging companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market

Structured Products Risk: These products often involve a significant amount of risk as they are often times based on derivatives. Structured products are not liquid instruments. They are "buy and hold" investments.

Swaps Risk: A strategy may enter into swap agreements with respect to currencies, interest rates and security indices. There can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. A strategy may use these techniques for efficient portfolio management purposes to hedge against changes in currency rates, securities prices, market movements, or as part of such Fund's overall investment strategy. Whether a strategy's use of swap agreements for efficient portfolio management purposes will be successful will depend on our ability to correctly predict whether certain types of investments are likely to produce greater returns than other investments.

The above list of risk factors does not purport to be a complete list or explanation of the risks involved in an investment strategy. You are encouraged to consult your financial advisor, legal counsel and tax professional on an initial and continuous basis in connection with selecting and engaging in the services Calamos provides to you. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above.

Item 9: Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to your evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10: Other Financial Industry Activities and Affiliations

As noted in **Item 4**, our firm is an investment adviser registered with the SEC and a wholly-owned subsidiary of CILLC. Calamos is a diverse financial services organization. In some cases, affiliates of Calamos have business arrangements with related persons/companies that are material to Calamos' advisory business or to its clients. In some cases, these business arrangements create the potential conflict of interest, or the appearance of a conflict of interest between Calamos and a client. Calamos has policies and procedure in place to identify and mitigate such conflicts. In addition Calamos has established a Conflict of Interest Committee, which has among its responsibilities the identification and amelioration of such conflicts of interest.

The following is a list of other related parties of the firm:

- ***Calamos Asset Management Inc.*** is the sole manager of Calamos Investments LLC.
- ***Calamos Family Partners Inc.*** is a private firm in which John P. Calamos, Sr. owns a controlling interest.
- ***Calamos Partners LLC*** is a Delaware limited liability company owned by Calamos Family Partners, Inc., John P. Calamos, Sr. and John S. Koudounis. Calamos Partners LLC owns approximately 78% of Calamos Investments LLC. Calamos Partners LLC owns 100% of CAM, which in turn owns approximately 22% of Calamos Investments LLC.

- ***Calamos Financial Services LLC*** is registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as a limited purpose broker-dealer. Its operations consist primarily of the distribution and sale of the Calamos Family of Mutual Funds.
- ***Calamos Global Funds PLC*** is an Ireland-domiciled open-end umbrella company organized as a UCITS consisting of sub-funds, which are registered with the Irish Central Bank.
- ***Calamos Investments LLP*** is registered with the U.K. Financial Conduct Authority and maintains certain permissions including distribution, investment advisory and investment management. It is the global distributor of the Calamos Global Funds plc.
- ***Calamos Investments LLC*** is a holding company. Through its subsidiaries, the firm provides investment management and distribution related services to its clients.
- ***Calamos Investment Trust*** is a Massachusetts business trust registered under the 1940 Act.
- ***Calamos Advisors Trust*** is a Massachusetts business trust registered under the 1940 Act.
- ***Calamos International Holdings LLC*** is a Delaware limited liability company wholly owned by Calamos Investments LLC and is a sister company to Calamos Advisors LLC.
- ***Calamos International Holdings II LLC*** is a Delaware limited liability company wholly owned by Calamos Investments LLC and is a sister company to Calamos Advisors LLC.
- ***Calamos Investments (HK) Limited*** is a Hong Kong limited liability company which has been established in anticipation of promoting and distributing Calamos products and strategies in the Southeast Asian markets.
- ***Calamos Dynamic Convertible and Income Fund*** is a closed-end investment company registered under the 1940 Act.
- ***Calamos Convertible Opportunities and Income Fund*** is a closed-end company registered under the 1940 Act.
- ***Calamos Convertible and High Income Fund*** is a closed-end company registered under the 1940 Act.
- ***Calamos Strategic Total Return Fund*** is a closed-end company registered under the 1940 Act.
- ***Calamos Global Dynamic Income Fund*** is a closed-end company registered under the 1940 Act.
- ***Calamos Global Total Return Fund*** is a closed-end company registered under the 1940 Act.
- ***Calamos Advisors LLC Master Group Trust Global Opportunities Trust*** operates for the collective investment of the assets of domestic pension or profit-sharing trusts.
- ***Calamos Global Opportunities Fund LP*** is a Delaware limited partnership whereby Calamos Advisors LLC serves as the Investment Manager and General Partner.
- ***Calamos Ares Quant Fund I, LP*** is a Delaware limited partnership whereby Calamos Advisors LLC serves as the Investment Manager and General Partner.
- ***Calamos Wealth Management LLC*** is a registered investment advisor that provides wealth management services, including asset allocation and investment advisory services, to high net worth individuals, family offices and private foundations.
- ***Calamos OPIS LLC*** is a Delaware limited liability company managing proprietary investments.

INVESTMENT COMPANIES

Calamos serves as the investment adviser to Mutual Funds, Closed-End Funds and UCITS.

Calamos Mutual Funds:

- Convertible

- Dividend Growth
- Emerging Market Equity
- Evolving World Growth
- Global Convertible
- Global Equity
- Global Growth and Income
- Growth
- Growth and Income
- Hedged Equity Income
- High Income
- International Growth
- Market Neutral Income
- Opportunistic Value
- Phineus Long/Short
- Total Return Bond

Calamos Closed-End Funds:

- Dynamic Convertible and Income (CCD)
- Convertible Opportunities and Income (CHI)
- Convertible and High Income (CHY)
- Global Dynamic Income (CHW)
- Strategic Total Return (CSQ)
- Global Total Return (CGO)

UCITS:

- Emerging Markets
- Global Equity
- Global Convertible
- High Income Opportunities
- Income
- Intermediate-Term Bond
- Short-Term Bond

UCITS are not U.S. registered investment companies nor regulated by U.S. law.

Calamos may also serve as a sub-advisor to other unaffiliated mutual funds. While we do not believe these services create a material conflict of interest between the firm and its other clients, Calamos has adopted policies and procedures to mitigate and manage any such conflicts as described throughout this brochure.

POOLED INVESTMENT VEHICLES

The firm serves as the investment adviser to the Calamos Advisors LLC Master Group Trust Global Opportunities Trust ("Group Trust"), which is available to eligible qualified retirement plans and government plans that meet certain requirements. The fees are described in the investment management agreement between Calamos and the Group Trust.

Calamos serves as Investment Manager and General Partner to the Calamos Global Opportunities Fund Limited Partnership (the "LP"). Fees relating to the LP are further described in the Confidential Private Offering Memoranda.

Our firm serves as the Investment Manager and General Partner to the Calamos Ares Quant Fund I, LP. This private fund is not currently being offered.

Item 11: Code of Ethics and Insider Trading Policy, Participation or Interest in Client Transactions and Personal Trading

CODE OF ETHICS & PERSONAL TRADING

Calamos has adopted a Code of Ethics which sets forth high ethical standards of business conduct required of our employees, including compliance with applicable federal securities laws. Our firm and our personnel owe a duty of loyalty, fairness and good faith toward you, our clients, and have an obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

To mitigate the conflicts of interest caused by trading or other activities engaged in by our employees, our Code of Ethics requirements include the following controls:

- Employees and their household members must maintain their brokerage accounts at a limited number of brokerage firms approved by Compliance;
- Employees must receive written approval from Compliance prior to transacting in "reportable securities" (as defined under SEA Rule 204(A)-1 (pre-clearance required);
- Employees and their household members must provide to Compliance trade confirmations or statements and quarterly security holdings reports;
- Employee requests to trade a reportable security will generally be denied, if a client traded in the same reportable security within the last six business days (two business days for broad based reportable security);
- Employee trade requests will be denied if a security is on the restricted list;
- Employees must hold securities for a minimum holding period of 60 days to reduce excess and short-term or speculative trading. The holding period may be waived if the security is trading at a 20% or greater loss from where the employee purchased the security.
- Employees must obtain Management and Compliance approval prior to engaging in any outside business activity and their proposed activity will be vetted to ensure it does not create a conflict of interest with our clients or that the firm is in a position to mitigate and manage any such conflict;
- Gifts given or accepted by employees must be reported to Compliance;
- Entertainment provided or received by employees must be reported to Compliance;
- Employees must receive prior Compliance approval to make any political contributions;
- Employees may not participate in Initial Public Offerings ("IPOs"); and
- Employees are prohibited from using material non-public information either professionally or personally.

The Code is designed to ensure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions that are in the best interest of advisory clients. The Code therefore restricts trading in close proximity to client trading activity (4th bullet above) and restricts personal trading for securities for which the firm is in possession of Material Nonpublic Information.

Calamos receives material non-public information in the ordinary course of its business. This is information that is not available to other investors or other confidential information which, if disclosed, would likely affect an investor's decision to buy, sell or hold a security. This information is received voluntarily and involuntarily and under varying circumstances including, but not limited to, upon execution of a non-disclosure agreement, as a result of serving on the board of directors of a company, serving on ad hoc or official creditor' committees and participation in risk, advisory or other committees for various trading platforms and other market infrastructure related entities and organizations. Under applicable law, members of Calamos are generally prohibited from disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether that person is a client.

Under the Code, certain classes of securities have been designated as exempt transactions (e.g., non-Calamos mutual funds) in conjunction with the associated rules. Access Persons' trading is continually monitored under the Code to reasonably prevent conflicts of interest between Calamos and our clients. All Access Persons must annually acknowledge their understanding of the terms of the Code.

Our Code of Ethics also includes provisions governing oversight, enforcement and recordkeeping.

A copy of Calamos Code of Ethics is available to you by contacting us at caminfo@calamos.com, or by calling us at 800-582-6959.

PARTICIPATING IN CLIENT TRANSACTIONS

Calamos and its related parties may participate or have an interest in client transactions in one of several ways. Calamos and its related parties, for example, may have positions or interests in equity or fixed-income securities, including shares of the Mutual Funds, the Closed-End Funds, the UCITS, the Pooled Investment Vehicles, and separately managed accounts in which its clients also are invested. Calamos' officers and employees also are encouraged to invest in Calamos products. A significant portion of the assets of the Calamos retirement savings plan for officers and employees are invested in the Mutual Funds. Calamos' aggregate fee revenues increase with purchases, by clients or others, of shares of these funds (Mutual Funds, Closed-End Funds, UCITS, and Pooled Investment Vehicles). From time to time, Calamos and its related parties also invest in products managed by Calamos to support the continued growth of those investment products and strategies. For example, Calamos or a related party may invest the initial investment capital or "seed" in a product and as a result, hold a temporary proprietary interest in the product for a period of time after the product's inception. When consistent with the client's investment objectives, Calamos recommends to clients the purchase of these same investments in which Calamos or its employees or affiliates have a financial interest. The Mutual Funds are generally sold to the public on a "load" basis involving the payment of commission to an intermediary. However, there are certain share classes that have no load or where the sales load is, or may be, waived by the Calamos Fund's Adviser. Calamos employees do not pay a sales load when purchasing Calamos funds.

Calamos, its related parties and our employees have an incentive to favor the accounts in which we or they own a substantial interest (also referred to as proprietary accounts or Related Accounts). This conflict could result in our treating Calamos Related Accounts more favorably than other client accounts including in connection with the allocation of limited investment opportunities (such as IPOs) or the allocation of aggregated trade orders. In addition, Calamos' or a related party's disposition of such seed investment may adversely affect the price or liquidity of the product's shares.

With regard to its Mutual Fund investments, from time to time, Calamos or a related party may, for tax purposes, redeem a portion of its Mutual Fund holdings, reinvesting in shares of the same Mutual Fund shortly thereafter. These transactions are subject to the Mutual Funds' excessive trading policies and procedures and will only be consummated if they are determined not to be disruptive to the management of the Mutual Fund.

In determining whether trading is disruptive, consideration will be given to the purpose of the trades, the effects on the portfolio or shareholders, and whether the portfolio or shareholders will be made whole for any costs or administrative charges the Mutual Fund may incur as a result of the trade. In addition, these transactions will not be made if Calamos or its affiliate, as the case may be, is aware of any material non-public information with respect to the Mutual Fund.

Where we have an interest in a client transaction, we endeavor to make all investment decisions in our clients' best interests. In addition, pursuant to our policies and procedures, our transactions generally are aggregated with or effected after client orders and we are allocated investment opportunities on a pro rata basis with our clients. We further believe our and our employees' investments in Calamos products helps to ensure our interests are aligned with those of our clients.

Investments made by CAM, CILLC, CPL, Calamos Family Partners, Inc. ("CFP") and the Calamos Family in products managed by CAL are not subject to restrictions of the Code of Ethics and Insider Trading Policy ("Code of Ethics") regarding short-term or speculative trading. As a result, such entities or individuals may hedge corporate or personal investments in such products. However, these hedging transactions are subject to oversight by the Compliance Department. All other provisions of the Calamos Code of Ethics are otherwise applicable. See **Item 10** for a list of affiliates. Calamos adopted policies and procedures designed to mitigate and manage these conflicts, including the following:

- All Calamos employees have a fiduciary responsibility to act in the best interest of our clients and to put our clients' interests in front of Calamos' interests;
- Trade Order Aggregation and Allocation policies and procedures
    - that seek to manage, monitor and, to the extent possible, minimize the effects of these conflicts
    - designed to ensure that all clients are treated fairly and equitably over time and to prevent these conflicts from influencing the allocation of investment opportunities among clients;
- Dispersion testing, wherein we review the performance of accounts with similar investment strategies to identify performance outliers;
- Cross-Trade policy;
- Conflicts of Interest Committee that seeks to ensure all conflicts are identified and policies and procedures have been implemented to manage and mitigate them; and
- Compliance reviews trading after the fact to seek to ensure procedures and controls are effective.

Please also refer to **Item 12**.

On occasion, Calamos may recommend a security (other than the Mutual Funds, the Closed-End Funds, the UCITS, and the Pooled Investment Vehicles) that we either are considering transacting in or hold in a Related Account to a client. In those instances, Calamos will neither add to nor liquidate its position in our Related Account until our client transactions in that security are completed as determined by our Head Trader. In other words, the clients' transactions will be completed prior to and take priority over Calamos' transactions.

Also, Calamos serves as an advisor to both long-only accounts and accounts that execute short sales. Calamos sells short securities in a long-short account while oftentimes holding long the same security in another account. In this case, we could harm the performance of the long-only accounts for the benefit of accounts that execute short sales, which may include performance-based fee accounts. For example, continually selling a position short may depress the stock price which would harm a long-only account holding the same security.

To help manage and mitigate these conflicts, Calamos has implemented the following policies and procedures and internal controls:

- Calamos Code of Ethics reinforces our fiduciary duty to clients;
- Code of Ethics Training is provided to employees;

- Utilization of tools to monitor portfolio activities;
- Investment guidelines and investment restrictions are reviewed regularly against client portfolios;
- Side-by-Side review of transactions seeks to ensure any side-by-side issues are appropriately resolved; and
- Conflicts of Interest Committee seeks to ensure all conflicts are identified and policies and procedures have been implemented to manage and mitigate these conflicts.

Calamos will not charge additional advisory fees on client advisory assets invested in Calamos Mutual Funds.

CROSS-TRADES

Calamos has adopted a Cross-Trade Policy to address potential conflicts which might arise from effecting trades between client accounts. This policy prohibits Calamos from purchasing or selling investments from or to clients for its own account, and prohibits Calamos from effecting a trade between clients if one of the clients is an Employee Retirement Income Security Act of 1974 (“ERISA”) client. The policy permits Calamos to effect trades between non-ERISA client accounts which are not mutual funds, subject to certain restrictions, including the requirements that:

- Each trade is effected at the independently determined current market price of the investment;
- Calamos receives no compensation for effecting the trade; and
- The trade is disclosed to the client(s).

The policy similarly permits Calamos to effect trades between its mutual funds, subject to restrictions, including the requirements that:

- The trade is effected in accordance with the Calamos Mutual Funds’ (1940 Act) Rule 17a-7 procedures and SEC guidance, including at the “current market price” determined in accordance with said procedures;
- No brokerage commission is charged on the trade; and
- Compliance must approve the transaction.

Item 12: Brokerage Practices

Calamos has established a Brokerage Practices Committee (the “Committee”), which has responsibility for:

- approving broker-dealers through which trading for discretionary client accounts may be executed
- evaluating the performance of broker-dealers which shall include, among other things:
    - commission rates
    - execution services
    - reliability and coverage
- reviewing brokerage allocations;
- reviewing and approving soft dollar arrangements; and
- monitoring for best execution.

BROKERAGE SELECTION & BEST EXECUTION

In approving a broker-dealer, the Committee will review relevant information about the broker-dealer, which may include some or all of the following:

- financial stability;
- reputation and integrity;
- commission rates;

- trading expertise;
- facilities;
- willingness and ability to commit capital;
- access to underwriter offering and secondary markets;
- reliability in executing trading and keeping records;
- fairness in resolving disputes;
- financial services offered; and
- value of research.

If, after reviewing the broker-dealer's information, the Committee reasonably believes it will benefit our Calamos clients as an executing broker-dealer, the broker-dealer will be added to the Approved Broker-Dealer list that is maintained by the Head Trader.

The SEC believes that investment advisers owe a fiduciary duty to their clients to seek best execution for their transactions. Calamos does not consider best execution to be the lowest possible commission cost, but rather whether the transaction represents the best qualitative execution under all circumstances existing at the time of the trade.

When selecting a broker-dealer to execute a particular transaction, traders generally consider the full range of brokerage services including, but not limited to:

- execution capabilities;
- commission rate/all-in transaction cost;
- financial responsibility;
- responsiveness; and
- the value of any research provided.

The traders will also consider:

- the character of the market for the security;
- size and type of transaction; and
- number of primary markets.

Certain approved broker-dealers are also clients of Calamos or companies with which Calamos has other commercial dealings, which creates a conflict of interest. Calamos may be incentivized to favor these broker-dealers by directing trades to them. To mitigate or manage this risk, we have the following controls in place:

- monitoring execution in our client's portfolio transactions, including reviewing trades for best execution;
- if the commission rate exceeds a certain set amount, trades must be pre-approved by the Head Trader and then reported to Compliance along with the rationale for paying a higher rate;
- Head Trader uses third-party execution services to compare Calamos' execution rate to those achieved by peer firms;
- Brokerage Practices Committee reviews of best execution; and
- Compliance reviews of trades for excessive commissions.

RESEARCH AND OTHER SOFT DOLLAR BENEFITS

Brokerage commission dollars are an asset of our clients not an asset of Calamos. As stated above, Calamos has an obligation to seek best execution for clients' transactions, and therefore to carefully utilize such commission dollars. Calamos believes there are times when using commission dollars for research and brokerage services is beneficial to clients. On occasion, we will pay higher commissions in order to receive such research and brokerage services.

Calamos recognizes that while the acquisition of research and other services with commission dollars can be valuable to any individual client, it can also benefit Calamos and other Calamos clients, which may create a potential conflict of interest among Calamos and its clients. Section 28(e) under the Exchange Act provides a safe harbor permitting the use of client commissions to pay for certain “research” and “brokerage” products and services (these benefits received are referred to as soft dollars).

Soft dollar arrangements are permitted under Section 28(e) when certain conditions are met:

- Commission dollars are only used to obtain allowable brokerage or research services (as defined by Section 28(e) of the Exchange Act);
- Such brokerage or research must actually provide lawful and appropriate assistance in the performance of Calamos’ investment decision-making responsibilities;
- Calamos must in good faith determine that the commissions paid are reasonable in relation to the value of the services provided; and
- Calamos must have investment discretion over the account.

In fulfilling our investment advisory responsibilities, when Calamos believes that more than one broker can offer the brokerage services needed to obtain the best available price and most favorable execution, we will consider selecting those brokers that also supply research and brokerage products and services to us. We believe that such services provide a net benefit to our clients as a whole.

These research and brokerage products and services may include:

- information on the economy, industries, groups of securities, or individual companies;
- statistical information;
- accounting and tax interpretations;
- information on political developments;
- technical market action;
- pricing and appraisal services;
- proxy and corporate action analysis;
- credit analysis;
- risk measurement analysis;
- performance analysis;
- trade order management systems;
- trade execution systems; and
- analysis of corporate responsibility issues.

Research and brokerage products and services are provided to Calamos primarily in the form of:

- written reports;
- telephone contact;
- personal meetings with security analysts;
- access to various computer-generated data, and computer software; and

- meetings arranged with corporate and industry spokespersons, economists, academicians, and government representatives.

Certain research and brokerage products and services might also be used for functions that are not research or brokerage related. In such cases, the research or brokerage service or product may have a mixed use. Where a product or service has a mixed use, Calamos will make a reasonable allocation of the cost of the product or service according to its use, and will pay for the non-research and brokerage function in cash using its own funds.

We may use various methodologies to determine this allocation, including but not limited to the percentage of time the product or service is used for investment decision-making or the percentage of the function that is investment decision-making or research-oriented, as the case may be, but under all circumstances, the mixed use allocation will be made in good faith and documented consistent with our Brokerage Practices Policy and Section 28(e) of the Exchange Act.

Calamos participates in client commission arrangements ("CCAs") under which we effect transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that aggregates these client monies and, with our oversight and approval, pays service providers of qualified research and brokerage. The CCAs, as well as the research provided in connection with such arrangements, are intended to comply with Section 28(e) of the Exchange Act, as interpreted by the SEC.

Calamos believes that participating in a CCA enables us to efficiently consolidate payments for qualified research and brokerage services through one or more channels. Using the accumulated client commissions (credits from transactions executed through multiple broker-dealers and electronic communication networks ("ECN"), Calamos can then obtain qualified research and brokerage services provided by firms and vendors of its choice. Such arrangements also help to provide us with the continued receipt of research services while facilitating best execution in the trading process. In all cases, we believe such research and brokerage services are important to our investment decision-making.

When Calamos uses client brokerage commissions to obtain research and brokerage services, we receive benefits because we do not have to produce such products internally and we do not have to compensate third-party providers of the research using Calamos money. Therefore, such use of client brokerage commissions results in a conflict of interest because we may have an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if these brokers do not offer the best price or commission rates for our clients.

Calamos has in place controls designed to mitigate or manage the conflicts, including:

- Brokerage Practices Committee review and approval of soft dollar arrangements;
- Periodic review of commission rates;
- Periodic review of our soft dollar process to determine in good faith that commissions used to acquire research products and services were reasonable relative to the value of the research and services received;
- Monitoring execution of transactions in our client's portfolios, including reviewing trades for best execution; and
- Periodic review of mixed price allocations.

CLIENT DIRECTED BROKERAGE

Clients may request "directed brokerage" by instructing Calamos to send their trades to a specific broker. These clients may not receive best execution and may pay higher brokerage commissions than clients who do not "direct brokerage." These accounts may not have their trades included in aggregate orders to reduce transaction costs or to otherwise negotiate commissions. Therefore, they may receive less favorable prices and execution. If you direct brokerage, your transactions will generally be executed after the execution of portfolio transactions in other client accounts where Calamos has full discretion to execute trades. Calamos will not provide best execution assurances in accounts with directed brokerage.

We have the right to deny your request to direct brokerage. Calamos must accept direction before it will be effective.

AGGREGATED TRADES

Because Calamos recommends similar strategies for our various client accounts, numerous clients have similar investment objectives and similar portfolios, and, therefore, will seek to purchase or sell the same security at the same time. Consequently, for efficiency and negotiability purposes, Calamos frequently follows the practice of bunching the client orders for execution. These clients include the Mutual Funds, the Closed-End Funds, UCITS and various institutional and individual clients along with proprietary accounts of the firm. The firms' Trading Desk is responsible for monitoring their execution to seek best execution.

For accounts where the client has given us full brokerage discretion, trades are aggregated (grouped together or bunched) and traded first. Accounts with directed brokerage, including wrap programs and other similarly situated clients, may not participate in aggregated orders. In those cases, the client's order will generally trade after the aggregated order, with other similar orders in a rotational order by broker, and may trade last.

Aggregated trades are allocated to the participating accounts at average cost.

ALLOCATION OF INVESTMENT OPPORTUNITIES

It is Calamos' policy that trades are to be allocated among client accounts participating in each transaction in a fair and equitable manner over time, taking into consideration the investment guidelines and objectives of each client account. The allocation methodology we use varies depending on the type of securities sought to be bought or sold and the type of client or group of clients. Generally, trading will occur in the following order: discretionary orders, directed brokerage, and proprietary accounts. However, if a directed broker allows Calamos to execute with other brokerage firms, which then book the transaction directly with the directed broker, the order will be placed as if the client had given Calamos full brokerage discretion. Generally, Calamos' policies and procedures provide for the pro rata distribution of investment opportunities across appropriate accounts. Although we will attempt to allocate investment opportunities in a manner which is in the best interests of all client accounts, there can be no assurance that an investment opportunity will be allocated to all client accounts. Certain accounts may be unable to participate in such investment opportunity or participation in a transaction may only be available on a limited basis. In addition, there may be circumstances under which we will consider participation in investment opportunities by accounts in which Calamos or its related parties have a financial interest. Any such proprietary or Related Account will also participate in the allocation of investment opportunities on a pro rata basis.

METHOD OF ALLOCATION

Equity Securities

Equity orders will be placed for those clients who have given Calamos full brokerage discretion and all partial fills will be allocated on a pro-rata basis. In determining whether or not to make a pro rata allocation, Calamos considers among other factors, cash availability and other account specific factors. We generally treat wrap-fee accounts as client directed brokerage accounts because the client's wrap fee covers certain execution costs on trades executed through the sponsor. Conversely, if we execute client trades through a broker-dealer other than the sponsor, those trades might be subject to brokerage commissions and equivalents, markups and markdowns, transaction fees.

Directed accounts will trade after all discretionary account orders are filled. On a daily basis, a rotation schedule will be set by the Trading Desk to establish the order in which directed accounts, including separately managed wrap accounts, will be executed for that day. With respect to allocations to accounts within a wrap or directed brokerage arrangement, the wrap program sponsor may implement its own allocation methodology.

With respect to purchases of securities which are part of an IPO in equity securities, Calamos seeks to allocate the IPO on a pro rata basis among accounts for which it is appropriate and for which the client is permitted, under FINRA Rule 5130, to participate. Participation in IPOs will take into account the following:

- Portfolio Management must indicate interest in an IPO prior to the pricing of the offering and identify those client accounts for which an allocation would be appropriate;
- The ability to participate in the IPO shall be made to all Portfolio Management teams with sufficient time to enable them to determine client eligibility and suitability;
- Account must have sufficient cash available in account before IPO indication; and
- With respect to IPO equity allocations, Calamos will only make the allocation to those clients/funds for which the investment is appropriate in light of the accounts' investment policy statement. Allocations will be made on a pro-rata basis in proportion to assets under management and will be provided to those accounts indicating an interest in the security

Wrap and UMA accounts do not participate in equity IPOs.

From time to time, we will purchase an IPO with the intent of selling the security the same day in order to realize a short-term profit (a "flip"). Accounts that are purchasing an IPO with the intention of investing will be fully allocated before any accounts in which Portfolio Management intends to flip. A pro-rata method is used to allocate shares to the appropriate accounts.

Fixed Income and Convertible Securities

For fixed income and convertible securities, because Calamos has trading expertise in these securities, wrap program sponsors and other directed brokers often allow Calamos to include their orders with Calamos' discretionary orders for execution. Directed brokerage orders are executed without commission and then stepped out to the directed brokerage on a net basis (no explicit commission). Such trades, however, can incur dealer spreads or mark-ups/downs.

If a fixed income or convertible security order is partially filled, Calamos generally will allocate the amount received to all participating clients on a pro rata basis. An effort will be made to maintain the blocks of bonds in marketable sizes. . If Calamos receives bond allocations insufficient to fill all client orders on a pro rata basis while maintaining blocks of bonds in marketable sizes, Calamos may determine it is appropriate to allocate the amount received among a limited number of accounts, which may include Related Accounts. In making a determination to exclude one or more accounts, Calamos will consider, among other factors, if it is appropriate for a particular account to hold an odd lot and whether the allocation of an odd lot would subject the account to increased trading costs. Calamos may also determine to exclude an account from an allocation if after considering a variety of factors, including an account's available cash and other account specific factors, it concludes that the allocation would not be appropriate.

With respect to allocations to accounts within a wrap or directed brokerage arrangement, the wrap program sponsor may have its own allocation methodology, as determined by them.

For New Issue securities when Calamos receives allocations of bonds that are smaller than the allocations needed to fill client orders, an effort will be made to maintain the blocks of bonds in marketable sizes and, as stated above, accounts may not receive an allocation of the convertible security. For New Issue allocations that are not round lot in size, we will allocate on a rotational basis based on the daily schedule set by the Trading Desk.

From time to time Calamos will purchase a New Issue within a strategy or account with the intent of flipping the security the same day in order to realize a short-term profit. Accounts that are purchasing a New Issue security with the intention of investing will be fully allocated before any accounts in which Portfolio Management intends to flip the security.

Trading for Cash Flows or Special Circumstances

In order to accommodate a client's request for cash flows, and when Portfolio Management believes it is in the best interest of the client, a trade or series of trades may be executed separately from other trades that may occur in a similar security. The Trading Desk will seek to receive best execution for these trades, but there may be variances due to the separation of the order. It will be so noted on the trade ticket.

Additionally, certain clients seek strategies substantially similar to those employed by our Mutual Funds. Depending upon the characteristics, which would include the size of a particular Mutual Fund, it may be difficult, if not impossible, to replicate the particular strategy. For example, it is extremely difficult, if not impossible, to replicate Calamos Growth Fund strategy and portfolio holdings of Calamos Growth Fund for smaller accounts. In these circumstances, Calamos seeks to use an optimization technique whereby we first determine the securities to be bought or sold by the Calamos Growth Fund and then determine whether such transactions should be replicated for the other client accounts. In considering the appropriateness of the security in this optimization process, we consider, among other things, cash availability, suitability of the investment based on the account size and current portfolio, attributes, account specific guidelines, objectives and other account specific factors.

Item 13: Review of Accounts

Our investment team regularly monitors client accounts for consistency with client objectives and restrictions. Our Portfolio Administrators perform a periodic review of each client account. In these reviews, positions in client accounts are compared to the weights in the appropriate investment strategy model.

Calamos issues periodic written reports to its investment advisory clients. These written reports generally contain a list of assets, investment results, and statistical data related to the client's account. We urge clients to carefully review these reports on a timely basis and compare the statements that they receive from their independent qualified custodian to the reports that we provide. The information in our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. We encourage you to follow up with us as well as the custodian for your account to understand any differences.

Because Calamos, not the custodian, calculates the amount of the advisory fees for your assets under management with us, it is important you carefully review your custodial statements to verify the accuracy of the calculation, among other things. Clients should contact Calamos directly if they believe that there may be an error in the calculation of their fees.

Item 14: Client Referrals and Other Compensation

Other than the compensation described in **Item 5** and **Item 6**, Calamos does not receive an economic benefit from anyone other than its clients.

Calamos and its affiliates may enter into Referral Agreements with a solicitor such as a broker-dealer or an investment adviser. Calamos or its affiliates generally pay the solicitor a percentage of the management fee and/or performance based fee collected from the client. Regardless of how it may be calculated, any such referral fee will be paid solely from Calamos' investment management fee, and will not result in any additional charge to the client. See **Item 5** for additional information on advisory fees**.**

Calamos may enter into arrangements with unaffiliated third parties for their assistance in referring business to Calamos or providing advice to Calamos with respect to the expansion of the firm's distribution of products or services in various U.S. and world market and distribution channels. Calamos may pay cash compensation under these arrangements based on a monthly flat fee as well as, in the sole discretion of the firm, a bonus at the conclusion of the arrangements. The fees paid to the unaffiliated third party are not passed on to any introduced clients, but the presence of these arrangements may affect Calamos' willingness to negotiate below its standard investment advisory fees and, therefore, may affect the overall fees paid by referred clients.

The firm has in place a solicitor agreement with its affiliated limited purpose broker-dealer, CFS. The referral fees paid are equal to an estimate of the expenses incurred by the solicitor to obtain such business. Any such arrangements will comply with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended.

Item 15: Custody

Calamos serves as General Partner and investment adviser to Calamos Global Opportunities Fund Limited Partnership as well as Ares Quant Fund I, LP. As such, we are deemed to have custody of the assets invested in these funds. The funds' financials are audited by an independent public accounting firm and are issued to investors within 120 days of the fiscal year end. (As noted above, the Ares Quant Fund I, LP is not currently offered to clients)

Calamos does not maintain physical custody of its clients' assets. Rather, as discussed previously, you must establish a custody account with an unaffiliated custodian. You should receive quarterly or monthly account statements from the broker-dealer, bank or financial services firm that serves as qualified custodian. Clients should carefully review these statements. Clients who do not receive such account statements are encouraged to follow-up directly with their custodian and request such statements.

To the extent a client receives additional reports from Calamos, they are urged to compare these reports to the account statements they receive from the qualified custodian. Calamos' reports may vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies and other factors. Calamos' reports are not intended to be a substitute for account statements provided by a qualified custodian, and should not be used for official purposes.

Item 16: Investment Discretion

As noted in **Item 4**, Calamos accepts discretionary authority, via the Investment Management Agreement or other Power of Attorney, to manage the assets in the client's account. Calamos endeavors to follow reasonable directions, investment guidelines and limitations. This discretionary authority will remain in full force and effect until we receive written notice from you of its termination or until we receive actual notice of your death or adjudged incompetency.

Item 17: Voting Client Securities

Proxy Voting

Calamos votes proxies on behalf of its clients' accounts in accordance with its procedures and solely in the best interest of our clients.

As an investment adviser that exercises proxy voting authority over client securities, Calamos has a fiduciary duty to vote proxies in a timely manner and make voting decisions that are in our clients' best interests. We recognize that there may be potential conflicts of interest when we vote a proxy on behalf of clients. We have adopted a detailed policy statement that addresses and describes the steps we take to mitigate conflicts when voting proxies.

Calamos subscribes to an unaffiliated third-party corporate proxy research service that provides:

- in-depth analyses of shareholder meeting agendas;
- vote recommendations;
- record keeping;
- voting;
- administration;
- reporting; and

- vote disclosure services

In addition, this service facilitates the voting of each proxy in accordance with our proxy voting policy. The Proxy Group is responsible for maintaining oversight of all facets of the processes described above.

Material conflicts of interest are identified based upon analyses of client, broker and vendor lists, information periodically gathered from directors and officers, and information derived from other sources, including public filings. All conflicts of interest will be resolved in the interests of Calamos advisory clients.

In situations where a material conflict of interest is identified, the Proxy Group will refer the matter, along with the recommended course of action by Calamos, if any, to a Proxy Review Committee comprised of representatives from Portfolio Management (which may include portfolio managers and/or research analysts employed by Calamos), Operations, Legal and Compliance Departments within Calamos for evaluation and voting instructions. The Proxy Review Committee may defer to the voting recommendation of its proxy voting service, or those of another independent third party provider of proxy services or send the proxy directly to the relevant Advisory Clients with a recommendation regarding the vote for approval.

The Proxy Review Committee will independently review proxies that are identified as presenting material conflicts of interest; determine the appropriate action to be taken in such situations; report the results of such votes to Calamos' clients as may be requested; and recommend changes to the Proxy Voting Policies and Procedures as appropriate.

The Proxy Review Committee will also decide whether to vote proxies for securities deemed to present conflicts of interest that are sold following a record date, but before a shareholder meeting date. The Proxy Review Committee may consider various factors in deciding whether to vote such proxies, including Calamos' long-term view of the issuer's securities for investment, or it may defer the decision to vote to the applicable Advisory Client.

There may be some instances when Calamos believes its client's best interest is served by abstaining or not voting certain proxies. Additional information is provided in the procedures. Clients may obtain a copy of our procedures by contacting us at caminfo@calamos.com, or by calling us at 800-582-6959.

You, the client, reserve the right to vote the proxies on your account(s) and you may do so by sending your custodian and Calamos a written request to update the proxy instructions on your account.

Calamos will not advise and will not act on a client's behalf in legal proceedings involving companies whose securities you hold in your account(s). This includes the filing of "Proofs of Claim" in class action settlements. Clients may direct us to transmit copies of class action notices to the client or to a third party. We will make commercially reasonable efforts to forward such notices in a timely manner.

Calamos is not responsible for voting proxies we do not receive. However, we will make reasonable efforts to obtain missing proxies. Clients may request information on how proxies for his/her shares were voted by writing us at caminfo@calamos.com.

Item 18: Financial Information

Calamos has no known financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients. In addition, we have never been the subject of a bankruptcy proceeding.