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U.S. SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

FACING PAGE  
Information Required of Brokers and Dealers  
Pursuant to Section 17 of the Securities Exchange Act of 1934  
and Rule 17a-5 Thereunder

SEC FILE NO  
8-48842

REPORT FOR THE PERIOD BEGINNING 01/01/11 AND ENDING 12/31/11  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Guggenheim Funds Distributors, ~~Inc~~ <sup>LLC</sup>

Official Use Only  
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS:

(Do not use P.O. Box No.)

2455 Corporate West Drive

Lisle (City) (No. and Street) IL (State) 60532 (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Abbey Helmetag

(630)-577-2258

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

(Name - if individual, state last, first, middle name)

PricewaterhouseCoopers LLP

One North Wacker Drive (ADDRESS) Number and Street Chicago (City) IL (State) 60606 (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

## OATH OR AFFIRMATION

I, Bruce R. Albelda swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Guggenheim Funds Distributors, Inc. as of December 31, 2010, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer.

Bruce R. Albelda

Patricia D. Meagher  
Notary Public

OFFICIAL SEAL  
PATRICIA D MEAGHER  
NOTARY PUBLIC - STATE OF ILLINOIS  
MY COMMISSION EXPIRES: 12/08/15

This report \*\* contains (check all applicable boxes):

- |                                     |  |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | (a) Facing Page  |
| <input checked="" type="checkbox"/> | (b) Statement of Financial Condition   |
| <input type="checkbox"/>            | (c) Statement of Income  |
| <input type="checkbox"/>            | (d) Statement of Cash Flows  |
| <input type="checkbox"/>            | (e) Statement of Changes in Stockholder's Equity of Partners' or Sole Proprietor's Capital   |
| <input type="checkbox"/>            | (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors  |
| <input type="checkbox"/>            | (g) Computation of Net Capital   |
| <input type="checkbox"/>            | (h) Computation for Determination of Reserve Requirement Pursuant to Rule 15c3-3   |
| <input type="checkbox"/>            | (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3   |
| <input type="checkbox"/>            | (j) A Reconciliation, including appropriate explanation, of the computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A Rule 15c3-3 |
| <input type="checkbox"/>            | Schedule of Segregation Requirements and Funds in Segregation Pursuant to Commodity Exchange Act   |
| <input type="checkbox"/>            | (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation  |
| <input checked="" type="checkbox"/> | (l) An Oath or Affirmation   |
| <input type="checkbox"/>            | (m) A Copy of the SIPC Supplemental Report   |
| <input type="checkbox"/>            | (n) A Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit   |

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3)

**Guggenheim Funds Distributors, Inc.**

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**December 31, 2011**

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## Report of Independent Auditors

To the Board of Directors and Stockholder of  
Guggenheim Funds Distributors, Inc.

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Guggenheim Funds Distributors, Inc. (the "Company") at December 31, 2011, in conformity with accounting principles generally accepted in the United States of America. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit of this statement in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

*PricewaterhouseCoopers LLP*

March 19, 2012

**Guggenheim Funds Distributors, Inc.**  
**Statement of Financial Condition**  
**December 31, 2011**

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**Assets**

Cash	\$ 14,187,395
Cash segregated under federal regulations	100,000
Deposits with clearing organizations	1,644,317
Securities owned, at market value (Note 2)	1,851,703
Due from brokers and clearing organizations	5,925,432
Accounts receivable	3,239,255
Deferred tax asset, net	1,230,781
Furniture and equipment (net of accumulated depreciation of \$82,543)	35,432
Other assets	933,678
Total assets	<u>\$ 29,147,993</u>

**Liabilities and Stockholder's Equity**

Liabilities

Notes payable (Note 6)	\$ 7,000,000
Payable to affiliate	18,898
Due to customer	6,348,040
Accrued compensation	4,904,663
Accrued product costs	899,753
Accounts payable and other accrued liabilities	662,640
Total liabilities	<u>19,833,994</u>

Stockholder's equity

Common stock, no par value, \$10 stated value, 100,000 authorized shares, 95,500 shares issued and 71,965 shares outstanding	955,000
Additional paid-in capital	3,655,942
Retained earnings	45,868,017
Less treasury stock, at cost (23,535 shares)	(405,841)
Less receivable from Parent (Note 7)	(40,759,119)
Total stockholder's equity	<u>9,313,999</u>
Total liabilities and stockholder's equity	<u>\$ 29,147,993</u>

The accompanying notes are an integral part of the statement of financial condition.

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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**1. Organization and Summary of Significant Accounting Policies**

**Organization**

Guggenheim Funds Distributors, Inc. (the "Company"), formerly known as Claymore Securities, Inc., acts as sponsor, portfolio supervisor and securities evaluator to various equity and fixed income unit investment trust portfolios. Additionally, the Company participates in the marketing and distribution of closed-end fund initial public offerings and supports the secondary market of the funds. The Company also participates in the marketing and distribution of exchange-traded funds. The Company is a wholly owned subsidiary of Guggenheim Funds Services Group, LLC (the "Parent"), formerly known as Claymore Group Inc. Guggenheim Capital, LLC ("Guggenheim") is the ultimate parent of Holdings.

In accordance with regulations under the Securities Exchange Act of 1934, the Company is registered as a broker-dealer with the Securities and Exchange Commission (the "SEC") and is a registered investment adviser under the Investment Advisers Act of 1940. The Company is a clearing broker and a member of the Depository Trust and Clearing Corporation. The Company is also registered as a broker-dealer with the Financial Industry Regulatory Authority, Inc. and is a member of the Municipal Securities Rulemaking Board.

**Securities Transactions**

Securities and customer transactions are recorded on a trade-date basis. Securities transactions pending settlement are included net in due from brokers and clearing organizations in the statement of financial condition. Investments in closed-end funds and exchange-traded equities are valued at quoted market close prices. Investments in corporate obligations are valued by an independent pricing service taking into consideration yield, credit quality, liquidity, coupon, maturity and other factors or market data the pricing service deems relevant. Unit investment trusts are carried at their net asset value (see Note 2 for additional information). Futures contracts are valued based on the exchange closing settlement price.

**Due to Customer**

In its capacity as a sponsor of unit investment trusts, the Company records amounts due from brokers and clearing organizations for unsettled sales transactions of securities and unit investment trusts. The Company also records amounts due to customer for unsettled purchase transactions of securities and unit investment trusts.

**Cash**

Cash consists of cash on deposit with a bank.

**Deposits with Clearing Organizations**

Deposits with clearing organizations include cash on deposit with clearing organizations to meet margin requirements.

**Accounts Receivable**

Accounts receivable consists primarily of evaluation and surveillance fees on unit investment trusts, servicing fees on closed-end funds, and creation and development fees on unit investment trusts.

**Furniture and Equipment**

Furniture and equipment are recorded at cost, net of accumulated depreciation. Depreciation is provided on a straight-line basis using estimated useful lives of the assets, which is 5 to 7 years.

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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**Income Tax Status**

The Company is included in the consolidated federal income tax return filed by the Parent. The Company provides for income taxes on a separate return basis and remits to the Parent amounts determined to be currently payable.

Income tax expense is recorded based upon the liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using currently enacted tax rates in effect for the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Uncertain tax positions are recognized if they are more likely than not to be sustained upon examination, based on the technical merit of the position. The amount of tax benefit recognized is the largest amount of benefit that is greater than 50% likely of being realized upon settlement. The Company recognizes interest and penalties, if any, related to income tax matters as part of the provision for income taxes on the statement of income.

In accordance with the terms of the tax sharing intercompany agreement with the Parent, all current taxes are due to the Parent and unpaid amounts are recorded in receivable from Parent on the statement of financial condition. The Company files separate returns in the states where required.

**Share-Based Compensation**

The Company measures and records stock-based compensation expense in accordance with the provisions of ASC Topic 718, *Compensation-Stock Compensation* ("ASC 718"). The Company is allocated stock-based compensation expense for share-based awards granted to the employees of the Company.

**Use of Estimates**

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial condition. Actual results may differ from those estimates.

**Recently Issued Accounting Pronouncements**

*Fair Value Measurements and Disclosures*

In May 2011, the Financial Accounting Standards Board ("FASB") issued ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS*, ("ASU 2011-04") amending ASC 820. The amended guidance improves the comparability of fair value measurements presented and disclosed in the financial statements prepared in accordance with U.S. GAAP and IFRS. Although most of the amendments only clarify existing guidance under U.S. GAAP, ASU 2011-04 requires new disclosures, with a particular focus on Level 3 measurements, including quantitative information about the significant unobservable inputs used for all Level 3 measurements and a qualitative discussion about the sensitivity of recurring Level 3 measurements to changes in the unobservable inputs disclosed. ASU 2011-04 also requires the hierarchy classification for those items whose fair value is not recorded on the statement of financial condition but is disclosed in the footnotes. ASU 2011-04 is effective during interim and annual periods beginning after December 15, 2011. The adoption of ASU 2011-04 is not expected to have a material impact on the Company's statement of financial condition or disclosures.

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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*Disclosures about Offsetting Assets and Liabilities*

In December 2011, the FASB issued ASU No. 2011-11, "Disclosures about Offsetting Assets and Liabilities" ("ASU 2011-11") amending FASB Accounting Standards Codification Topic 210, "Balance Sheet". The amended guidance requires an entity to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position. ASU 2011-11 is effective for interim and annual periods beginning on or after January 1, 2013. The adoption of ASU 2011-11 is not expected to have a material impact on the Company's statement of financial condition or disclosures.

**2. Fair Value of Financial Instruments**

Management estimates the aggregate fair value of financial instruments recognized on the statement of financial condition (including receivables, payables, note payable, and accrued expenses) approximates their fair value, as such financial instruments are either reported at fair value or are short-term in nature, bear interest at current market rates or are subject to frequent repricing.

ASC 820-10, *Fair Value Measurements and Disclosures* establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. This guidance also addresses fair value of an instrument when the volume and level of activity for an asset or liability have decreased significantly and provides guidance for determining the concurrent weighting of the transaction price relative to fair value indications from other valuation techniques when estimating fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows.

- |         |   |
|---------|---|
| Level 1 | Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;              |
| Level 2 | Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and |
| Level 3 | Inputs that are unobservable.   |

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Company assesses its financial instruments on a semi-annual basis to determine the appropriate classification within the fair value hierarchy. Transfers between fair value classifications occur when there are changes in pricing observability levels. Transfers of financial instruments among the levels are deemed to occur at the end of the reporting period. There were no transfers between the Company's Level 1, Level 2 and Level 3 classified instruments during the year ended December 31, 2011.

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

The Company did not own any financial assets or liabilities that would be considered Level 3 within the fair value hierarchy as of or during the twelve months ended December 31, 2011.

The following table presents securities owned at fair value as of December 31, 2011:

Description	December 31, 2011	Quoted Prices or Identical Assets in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Securities owned				
U.S. Government securities	\$ 499,899	\$ 499,899	\$ -	\$ -
Equity securities	150,235	150,235	-	-
Fixed income unit investment trusts	996,603	-	996,603	-
Closed-end funds	204,966	204,966	-	-
Total securities owned	<u>\$ 1,851,703</u>	<u>\$ 855,100</u>	<u>\$ 996,603</u>	<u>\$ -</u>

**3. Furniture and Equipment**

Furniture and equipment consisted of the following at December 31, 2011:

Furniture	\$ 40,216
Office equipment	77,759
	<u>117,975</u>
Less accumulated depreciation	(82,543)
	<u>\$ 35,432</u>

**4. Income Taxes**

At December 31, 2011, the Company had a net deferred tax asset of \$1,230,781 related primarily to accrued liabilities, nonqualified deferred compensation and depreciation on furniture and equipment. The Company has concluded that it is more likely than not that the deferred tax asset will be realized, and therefore, no valuation allowance is required.

At December 31, 2011, the Company had gross unrecognized tax benefits of \$301,346, comprised of \$150,587 related to positions taken during the year and \$150,759 of accrued interest and penalties. There were total unrecognized tax benefits of \$357,645 as of December 31, 2010.

Gross unrecognized tax benefits of \$301,346 would, if recognized, affect the Company's effective income tax rate in future periods. It is expected that unrecognized tax benefits will decrease in the next twelve months by \$52,638 as a result of expiring statutes of limitations. The Company does not expect this change to have a significant impact on its financial position. The Parent's consolidated federal income tax returns for 2009 and 2010 remain open to examination by federal

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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authorities under the statute of limitations. The years open to examination by state and local government authorities vary by jurisdiction, but the statute of limitations is generally three to four years from the date the tax return is filed. The Company's earliest open tax year is 2004 for certain states in the United States.

**5. Commitments**

The Company leases certain office space under a noncancelable lease expiring in 2012, which includes certain renewal options for similar terms. The Company is a tenant in space leased by the Parent (see Note 8). In 2011, the noncancelable lease was renewed for a 3-year term commencing April 1, 2012 and terminating on March 31, 2015. This lease is cancellable after April 2013 with 90 days notice.

At December 31, 2011, the Company's future noncancelable minimum rental commitments based upon the terms under the operating lease were as follows:

<b>Year Ended</b>	
<b>December 31,</b>	
2012	\$ 115,269
2013	28,800
	<hr/>
	\$ 144,069

The Company acts as sponsor and depositor for the unit investment trust products it sells. In this capacity, the Company is required to deposit securities or contracts with the trustee for the purchase of securities. At December 31, 2011, the Company recorded purchases of \$150,235 in equity securities to be deposited in unit investment trusts scheduled for creation on January 3, 2012.

In the normal course of business, the Company may enter into contracts that contain a number of representations and warranties which may provide for general or specific indemnifications. The Company's exposure under these contracts is not currently known as any such exposure would be based on future claims which could be made against the Company. There have been no such claims since the inception of the Company. Management does not anticipate any such claims and expects any risk of loss to be remote.

**6. Borrowings**

In 2011, the Company restructured its term note that expired in April 2011, and entered into a new term note with an unaffiliated third party investor in the amount of \$7,000,000 at an interest rate of 9.15% per annum, due on April 8, 2013. This investor may at any time assign its rights in the term note to Guggenheim or any affiliate of Guggenheim. The terms and conditions of this note require the payment of principal and interest at maturity.

In conjunction with the creation of fixed income unit investment trust portfolios, the Company obtains short-term financing by pledging its fixed income investment inventory to a major U.S. financial institution. The terms and conditions of the demand note permit the Company to receive up to 70% of the market value of the securities pledged. Repayment of principal occurs daily as the

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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pledged securities are sold to the trustee of the unit investment trusts. No borrowings were outstanding under this demand note as of December 31, 2011.

**7. Related Parties**

The Company records a deferred sales charge on sales of unit investment trust portfolios sponsored and supervised by the Company. These deferred amounts are received by the Company generally over a three- to five-month period following the sale, of which receipt is guaranteed by the applicable unit investment trust. The Company sells its deferred sales charge receivables to the Parent at each month-end. The deferred sales charge revenue is included in the statement of income within net revenue from unit investment trust sales. These sales are reflected in the receivable from Parent on the statement of financial condition. These receivables are used by the Parent to collateralize certain debt of the Parent.

In accordance with a formal agreement, the Parent allocates certain indirect costs amongst the various subsidiaries in the consolidated group, including compensation-related benefits, facility costs and other general and administrative costs. A revenue based cost allocation methodology is used, whereby indirect costs are aggregated across all product lines and then re-allocated based on revenue earned. This cost allocation is included net in the receivable from Parent of \$40,759,119 on the statement of financial condition.

The receivable from Parent is reflected in equity on the statement of financial condition as it is not settled on a current basis. The receivable from Parent balance may fluctuate based on the cash management needs of the Company and its affiliates.

As discussed above, the Company has significant transactions with its Parent. Because of this relationship, it is possible that the terms of these transactions are not the same as those that would result from transactions among unrelated parties.

The Company has entered into arrangements with an affiliate whereby the affiliate provides investment advice to the Company in connection with the creation of certain unit investment trusts. In certain instances, the affiliate has discretionary authority to purchase securities on behalf of the Company. The affiliate does not currently charge a fee for these services.

**8. Off-Balance Sheet Market and Credit Risk and Concentration of Credit Risk**

The Company uses futures contracts in the normal course of business to manage exposure to market risk associated with unit investment trusts and securities held in inventory prior to the unit investment trust deposit date, which are subject to varying degrees of market risk. Market risk is directly affected by the volatility and liquidity in the markets in which the related underlying assets are traded. The Company manages its exposure to market risk related to securities owned on an aggregate basis. Futures contracts are typically liquidated by entering into offsetting contracts. There were no futures contracts outstanding at December 31, 2011.

The Company has no retail customers and only one customer under Rule 15c3-3 of the Securities Exchange Act of 1934. In the normal course of business, the Company's customer activities involve the execution and settlement of customer transactions, primarily the purchase and sale of unit investment trusts. These activities may expose the Company to off-balance sheet risk in the event the customer is unable to fulfill its contracted obligations and the Company has to purchase or sell the unit investment trusts at a loss.

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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The Company is a clearing broker-dealer engaged in various trading, brokerage and investing activities with counterparties, which primarily include other broker-dealers, banks and financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk of default. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty with which it conducts business.

**9. Employee Benefit Plan**

The Company participates in a 401(k) plan sponsored by its Parent covering substantially all employees. Participants may contribute from 1% to 90% of their compensation on a pre-tax basis, subject to certain limitations as set forth in the 401(k) plan agreement. The Company can contribute a discretionary amount, subject to certain limitations as set forth in the 401(k) plan agreement.

**10. Share-Based Compensation**

Certain employees of the Company participate in a share-based incentive plan sponsored by an affiliate of Guggenheim. The plan provides for equity compensation in the form of phantom units settled in either cash or shares, at Guggenheim's option. The Company accounts for its stock-based compensation under these plans in accordance with the provisions of ASC 718. The awards generally have graded vesting features and compensation cost is recognized over the requisite service period of the award.

**11. Net Capital Requirements**

The Company is subject to the net capital requirements of the SEC under Rule 15c3-1 (the "Rule"). The SEC requirements provide, among other items, that equity capital may not be withdrawn or cash dividends paid if certain minimum net capital requirements are not met. In addition, the Company has an agreement with its wholesalers that restricts the payment of compensation if such payment would cause the Company to not meet its minimum net capital requirements. The Rule requires the Company to maintain minimum net capital equal to the greater of \$250,000 or 2% of aggregate debit items, as defined. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2011, the Company had net capital, as defined, of \$5,252,351 which was \$5,002,351 in excess of the minimum capital required to be maintained.

**12. Segregation of Funds for the Benefit of Customers**

The Company is required, under Rule 15c3-3 of the Securities Exchange Act of 1934, to segregate assets equivalent to balances due to its customer.

At December 31, 2011, the Company is in compliance with these segregation requirements and holds segregated assets in excess of amounts required to be segregated. Cash of \$100,000 has been segregated in a special reserve bank account for the benefit of its customer under Rule 15c3-3.

**Guggenheim Funds Distributors, Inc.**  
**Notes to the Statement of Financial Condition**  
**December 31, 2011**

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**13. Subsequent Events**

The Company has performed an evaluation of subsequent events through March 19, 2012, which is the date the financial statements were available to be issued and did not identify any subsequent events which would require disclosure in these financial statements except as follows.

On January 23, 2012, the Company entered into a temporary subordinated borrowing agreement with an affiliate in the amount of \$5,500,000 that was subsequently repaid on March 2, 2012, prior to the maturity date. This temporary subordinated agreement and early repayment were subject to regulatory approval.

In March 2012, the Company amended its structure and changed from a corporation to a limited liability company ("LLC"). In connection with this change, the name of the Company changed to Guggenheim Funds Distributors, LLC. As a wholly-owned LLC, the Company is treated as an entity that is disregarded (i.e. treated as an entity separate from its owner) for U.S. income tax purposes, therefore, no provision for income taxes will be included in the financial statements subsequent to that date. As of the date of the amendment, the Company, via a non-cash distribution, distributed its deferred tax asset to its Parent and settled the outstanding current tax balance with its Parent.



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**Guggenheim Funds  
Distributors, Inc.**

**Statement of Financial Condition  
December 31, 2011**

**Available for Public Inspection**