

Transparent Value Advisors, LLC

**40 E. 52nd Street
New York, NY 10022**

(212) 908-5090

www.transparentvalue.com

March 1, 2013

This Brochure provides information about the qualifications and business practices of Transparent Value Advisors, LLC (“TVA” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at (212) 908-5090. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

TVA is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about TVA also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated March 1, 2013 is a document prepared according to the SEC's requirements and rules.

Pursuant to new SEC Rules, we will provide you with a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year (December 31). We may provide other ongoing disclosure information about material changes as necessary.

We will also provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

The material changes in this Brochure reflect an expansion of advisory business and fee updates.

Currently, our Brochure may be requested by contacting the Chief Compliance Officer at Joanne.Park@guggenheimpartners.com or (212) 901-9485.

Item 3 -Table of Contents

Item 2 – Material Changes.....	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	1
Item 6 – Performance-Based Fees and Side-By-Side Management	1
Item 7 – Types of Clients	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	2
Item 9 – Disciplinary Information	3
Item 10 – Other Financial Industry Activities and Affiliations	4
Item 11 – Code of Ethics	4
Item 12 – Brokerage Practices	5
Item 13 – Review of Accounts	7
Item 14 – Client Referrals and Other Compensation	7
Item 15 – Custody.....	8
Item 16 – Investment Discretion.....	8
Item 17 – Voting Client Securities	8
Item 18 – Financial Information.....	8

Item 4 – Advisory Business

A. Transparent Value Advisors, LLC (“TVA” or the “Adviser”) is an indirect subsidiary of Guggenheim Partners, LLC, which is owned by Guggenheim Capital, LLC. Guggenheim Capital, LLC is owned in part by Sammons Enterprises, Inc. Employee Stock Ownership Trust. TVA has been in business since April 18, 2007.

B. TVA manages and sub-manages equity securities for its clients through mutual funds and separately managed accounts and also offers portfolio model and portfolio consulting services.

C. TVA tailors its investment strategy to meet a specific client’s investment objectives. Each account is managed in a manner to achieve the investment objective of the client, as agreed upon by TVA and the client, or the fund’s offering documents, in the case of a pooled investment vehicle. Client investment guidelines may be amended, by agreement of the client and TVA, based upon changing market conditions or needs of the client.

D. TVA does not offer a wrap fee program.

E. As of December 31, 2012, TVA advises \$77,806,745.76 on a discretionary basis and \$284,226,570.23 on a non-discretionary basis. Items reflect discretionary and non-discretionary sub-accounts.

Item 5 – Fees and Compensation

A. and B. TVA is paid a management fee on assets held in the client’s account. Management fees, set forth in the client’s investment management agreement or fund offering documents, are generally billed to clients on a monthly or quarterly basis, though some fees may be payable in advance.

For separate account clients, TVA is paid a quarterly management fee, in arrears, based on the net asset value (“NAV”) of all assets held in a client’s account. The management fee is equal to an annual fee prorated monthly and multiplied by the separate account’s NAV as of each calendar month-end, reduced for periods of less than a complete month and prior to any reduction for such management fees. The management fee is calculated and accrued monthly and is generally paid quarterly in arrears, subject to any different payment terms in the client’s investment management agreement. Fees may be negotiated in different amounts with each client based upon the types of service provided, size of account, and relationship between the client and TVA.

The standard fee schedules for investment advisory services provided to TVA’s separate account clients are detailed below. TVA offers several different products with varying fees that could be higher than those described above. Fees may be negotiable.

- 0.750% annual management fee on accounts with assets up to \$25 million
- 0.650% annual management fee on accounts with assets between \$25 and \$50 million

- 0.550% annual management fee on accounts with assets between \$50 and \$100 million
- 0.500% annual management fee on accounts with assets over \$100 million

C. Clients pay, in addition to management fees, brokerage commissions and other trading execution and settlement related costs and expenses, custody fees, interest incurred on borrowings, if any, and dividends paid on securities sold short. TVA also charges items of income, loss and expense to its fund clients, consistent with U.S. generally accepted accounting principles.

TVA, in certain circumstances, may invest client assets in mutual funds. If a client account holds mutual funds, the client pays two fees for the management of these assets, one to TVA and one to the mutual fund manager.

D. In some instances, fees may be payable in advance. In the event of a withdrawal, the client would receive a pro rata rebate of the allocable portion of the fee not earned by TVA during the period. With respect to mutual or private funds, please see the fund's offering materials for details on refunds of unearned fees and termination provisions.

E. Neither TVA nor its personnel receives transaction-based compensation for the sale of securities to clients.

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

TVA does not charge performance based fees.

Item 7 – Types of Clients

The following is a list of the types of clients to which TVA provides investment advisory services:

Registered Funds: TVA sub-advises funds registered with the SEC under the Investment Company Act of 1940, as amended (the "1940 Act").

Separate Accounts: TVA may provide portfolio management services to institutions such as insurance companies, sovereign wealth funds, pension funds, special purpose vehicles, individuals, family entities and companies. For its separate account clients, TVA generally requires a minimum account size of \$10 million dollars but the amount can be waived at TVA's discretion.

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

A. TVA uses a proprietary investment methodology, the Required Business Performance ("RBP"), as well as fundamental, cyclical and technical analysis to analyze and consider investment opportunities. In addition, TVA relies on research, economic theory and capital markets data provided by certain affiliates.

TVA believes the key to successful investing is to measure the performance implied (i.e., RBP) in the price of a stock and benchmark that implied performance against management's ability to perform in the past (i.e., RBP probability). The success of TVA's investment strategy depends on the

effectiveness of the RBP methodology in screening securities, and there is no assurance the RBP methodology will identify companies that will either achieve its RBP or outperform the performance of other indices.

The RBP methodology is a reverse discounted free cash flow (“DCF”) analysis using a company’s current stock price, its income statement, balance sheet and cash flow statements to determine what the current price of the stock implies about future free cash flow (“FCF”) and RBP.

DCF analysis values a company by projecting the cash flows it will generate in the future and discounting them by the appropriate cost of capital, or interest rate, to determine the present value of those cash flows.

FCF is the amount of cash generated by a company from its normal operations which is available for distribution to investors, after taking into account any necessary investment.

B. TVA manages client assets within equity strategies. Investing in securities involves risk of loss that clients should be prepared to bear. Material risks inherent in each strategy are described below:

Equity Risks

Common Stock Risk — Equity portfolios are subject to the risk that stock prices fall over short or extended periods of time. The value of a company’s common stock may fluctuate drastically from day to day based on various factors. These factors contribute to price volatility, which is a principal risk of investing in common stocks.

Quantitative Investment Strategy Risk — Portfolios using the RBP methodology seek to track a quantitative strategy index, meaning that a portfolio invests in securities comprising an index created by a proprietary model. The factors used in the quantitative analysis and the weight placed on these factors may not be predictive of a security’s value. As a result, a portfolio may have a lower return than if the portfolio is managed using a fundamental investment strategy or an index based strategy that does not incorporate quantitative analysis.

Risks of Index Investing — A portfolio using the RBP methodology is not “actively managed.” Therefore, the portfolio does not sell an equity security because the security’s issuer is in financial trouble unless that security is removed from the index.

Non-Correlation Risk — A portfolio may not be fully invested at times as a result of cash flows. In addition, because a portfolio using the RBP methodology may not fully replicate the index and may hold less than the total number of securities in the index, the portfolio is subject to management risk. This is the risk that TVA’s security selection process, which is subject to a number of constraints, may not produce the intended results.

Large Capitalization Company Risk — The large capitalization companies in which the portfolios invest may underperform other segments of the equity market or the equity market as a whole.

Concentration Risk — By concentrating its assets in a particular industry or group of industries, a portfolio is subject to the risk that economic, political or other conditions that may have a negative effect on that industry or group of industries may negatively impact the portfolio to a greater extent than if the portfolio's assets invested in a wider variety of industries. In addition, the amount of a portfolio's assets in a particular industry may not match the industry's representation in the index.

Derivatives Risk — A portfolio may invest in stock and stock index futures contracts and other derivatives. Compared to conventional securities, derivatives can be more sensitive to changes in interest rates or to sudden fluctuations in market prices and thus the portfolio's losses may be greater if it invests in derivatives than if it invests only in conventional securities.

Item 9 – Disciplinary Information

The management of TVA believes that there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of or the integrity of TVA or its management personnel.

Item 10 – Other Financial Industry Activities and Affiliations

A. Neither TVA nor any of its management persons are currently registered representatives of a broker/dealer or have an application pending as such.

B. Neither TVA nor any of its management persons are currently commodity pool operators or commodity trade advisors or have applications pending as such.

C. Guggenheim Partners Investment Management, LLC ("GPIM") acts as the investment adviser to funds sub-advised by TVA. TVA engages certain GPIM employees to advise on investment allocations. TVA and GPIM share the same equity Chief Investment Officer ("CIO") who discusses investment decisions, policy and practice for both advisors. This shared management is intended to align the interests of both advisors.

Guggenheim Funds Distributors, LLC ("GFD") is a broker-dealer affiliated with TVA. GFD distributes mutual funds that are sub-advised by TVA. GFD may also refer clients to TVA for separately managed accounts or unified managed account services for a fee.

TVA's arrangements with GFD may present it with a conflict of interest as TVA may have an incentive to direct trades to GFD. TVA's best execution policy requires that client trades are reviewed for best execution and that trades are directed to the broker that provides favorable terms for execution. Additionally, if GFD solicits a client for TVA, GFD is required to disclose their relationship with TVA to the client.

TVA is also affiliated with other broker-dealers, none of which are material to TVA's business.

TVA is also affiliated with other investment advisers, both registered and unregistered, none of which are material to TVA's business.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. TVA has adopted a Code of Ethics and Insider Trading Policy (the “Code”) to comply with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), which sets forth procedures and limitations governing the business conduct and personal securities trading of persons associated with TVA. The Code is based upon the principle that TVA’s Access Persons (as defined in the Code) owe a fiduciary duty to clients and to conduct their affairs, including their personal securities transactions, in a manner to avoid: (i) placing their own personal interests ahead of clients; (ii) taking inappropriate advantage of their position with the firm; and (iii) any actual or potential conflicts of interest or any abuse of their position of responsibility. Personal securities transactions of TVA’s Access Persons are reported quarterly and account holdings are reported annually. Both are monitored, in an attempt to limit potential conflicts of interest. In addition, TVA maintains a restricted list. Access Persons of TVA are prohibited from trading in companies contained therein. A copy of TVA’s Code is provided to any client or prospective client upon request by contacting Joanne Park, CCO, at Joanne.Park@guggenheimpartners.com.

B. and C. and D. Participation or Interest in Client Transactions

Cross Transactions

TVA executes cross transactions only so long as TVA (or an affiliate) does not receive any compensation in connection with the transaction. TVA executes internal cross transactions at prices that represent the current value of the securities at the time of the transaction. TVA only executes a cross transaction for a registered fund client in accordance with the requirements of Rule 17a-7 under the 1940 Act, and the policies of the respective fund family.

Recommendations of Partnerships

Affiliates of TVA serve as a general partner, investment manager or equivalent of private investment vehicles. These funds are offered through offering memoranda only to investors which are qualified to invest in the respective funds (e.g., accredited investors, qualified purchasers, or knowledgeable employees). Related persons of TVA from time to time solicit, recommend to, or purchase or sell on behalf of clients, securities or other investment products in which TVA, its affiliates or other related persons have a financial interest as the investment manager, general partner, or as a co-investor in these investment products. Clients of TVA may from time to time be solicited to invest in other limited partnership or limited liability companies managed by affiliates of TVA which may serve as general partner, manager in a similar capacity and are compensated for these services. TVA manages this conflict through disclosure in this brochure and other relevant documents, as well as the allocation process as discussed herein.

TVA and its related persons may from time to time buy or sell for their own accounts the same securities they buy or sell for, or recommend to, TVA clients. This trading is performed separately from the trading activities in client accounts and a client’s interest has priority over the interests of TVA or its related persons. In addition, TVA or an affiliate may maintain investments in the

structured vehicles it manages, which presents TVA with a potential conflict in recommending investments in these vehicles to clients. TVA's or its affiliates' ownership interest is disclosed in the vehicle's offering documents.

Item 12 – Brokerage Practices

A. 1. Research and Other Soft Dollar Benefits

TVA does not participate in soft dollar arrangements.

A. 2. Brokerage for Client Referrals

Best Execution

TVA considers numerous factors in arranging for the purchase and sale of clients' portfolio securities in order to achieve best execution for its clients. When selecting a broker, TVA considers the full range and quality of a broker's services, including execution capability, price, financial stability and reliability. TVA is not obliged to merely get the lowest price or commission; but to attempt to achieve the best qualitative execution for the account. The result is that best execution is not always be measured by a comparison of quotes provided by multiple potential counterparties because in some cases there is only one, if any, counter-party that makes a market in the security in question. In these situations, TVA uses its best effort to obtain the best execution from the counterparty. TVA monitors its use of certain brokers in the event a client provides guidelines with respect to transacting only with certain brokers.

Broker Selection

If there are multiple broker-dealers making a market in a particular security, TVA is responsible for determining the broker-dealer to use for the transaction. TVA selects the broker-dealer that it believes can execute the transaction in a manner that achieves the most favorable execution for the client under the circumstances. In making this determination, TVA takes into account such factors as price, likelihood of execution (within a desired timeframe), market conditions, volume, confidentiality, minimum market effect, creditworthiness, willingness and ability of a counterparty to make a market in particular securities, operational coordination including communication and ability to settle trades reliably and quickly, reputation for ethical and trustworthy behavior, use of automation, willingness of the counterparty to commit capital, market knowledge and ability of counterparty to execute difficult transactions in unique and complex securities.

Directed Brokerage

TVA does not engage in directed brokerage transactions.

Allocation

TVA seeks to allocate investment opportunities among its clients in a manner it believes to be reasonable and equitable. Investment decisions for a client are made in accordance with the

investment objectives, guidelines, and restrictions governing specific client accounts and are independent of investment decisions made for other clients. However, since investment decisions frequently affect more than one account, it is inevitable that, at times, it is desirable to acquire or dispose of the same security for more than one client account at the same time. Accordingly, TVA's procedures are designed to monitor that investment opportunities are allocated equitably among different client accounts. These procedures also seek to maintain reasonable efficiency in client transactions and to provide TVA with flexibility to use allocation methodologies appropriate to TVA's investment disciplines and the specific goals and objectives of each account.

TVA's clients occasionally participate in the allocation of certain eligible securities with clients of its affiliates such as GIM and GPAM. When possible, investments bought or sold in an aggregated transaction are allocated among the participating client accounts starting in an approximate pro rata manner and then taking into consideration the specific objectives and constraints for each account that includes, but are not limited to, the following: risk tolerance; purchase price; existing exposure; minimum trade allocation; minimum position holding size; costs of splitting trades; sector allocation limits;; strategy, and lot size. In addition, TVA considers the liquidity requirements, investment phase of the account (e.g., ramping-up or taking gains/losses for tax purposes) and cash available in each account when making an allocation decision.

Item 13 – Review of Accounts

A. and B. Each portfolio is reviewed on a routine basis by the portfolio management team. In addition to the routine guideline reviews conducted, risk management reviews are conducted regularly. On at least a monthly basis and more frequently as necessary, the portfolio manager(s) of TVA meet with the Assistant Chief Investment Officer of Equities to discuss funds performance.

TVA portfolios are maintained on a centralized portfolio management system and also monitored and maintained on internally developed systems that augment the core portfolio management system. Portfolios are monitored routinely and in real-time, with reports run on a regular basis that detail portfolio performance and risk exposures. Equity portfolios are routinely rebalanced on a fixed date in effort to meet portfolio objectives. Portfolio performance is regularly reviewed along with detailed attribution of performance for all portfolios.

C. Funds sub-advised by TVA and separate account clients have an independent qualified custodian that distributes a monthly or quarterly account statement containing holdings and transaction details.

Item 14 – Client Referrals and Other Compensation

A. TVA does not engage third party advisers to manage its clients' accounts.

B. TVA may enter into arrangements with affiliated or unaffiliated, domestic or foreign, third party solicitors. Such agreements involve the solicitor referring prospective clients to TVA for the provision of advisory services. TVA's affiliated broker-dealer, GFD, refers prospective clients to TVA. This arrangement is governed by a written agreement between the distributor of the

Registered Funds and GFD, and, as applicable, complies with Rule 206(4)-3 under the Advisers Act. Solicitors' compensation may be based on either: (1) a percentage of the management fees, performance fees or both, earned by TVA from the referred client; or (2) percentage of assets raised by the solicitor.

Item 15 – Custody

TVA does not have custody of its clients' accounts. Clients are encouraged to review account statements which are sent directly from their custodian.

Item 16 – Investment Discretion

For separate accounts, each investment agreement has investment guidelines. For funds or other pooled investment vehicles, guidelines and limitations are described in the respective fund's offering materials. Before assuming discretionary authority, TVA receives trading authorization from the client.

Item 17 – Voting Client Securities

A. and B. At any time, a client may provide TVA with voting instructions. In determining how to vote individual proxies, TVA takes into account what it believes is in the best interests of its client(s). The portfolio manager(s), in conjunction with appropriate management or members of TVA, evaluate and vote proxies in accordance with TVA's Proxy Policy.

Additionally, TVA uses RiskMetrics Group ("RMG") to record, track, file and vote all proxy solicitations. Through RMG, TVA maintains these clients' proxy records, including copies of proxy statements received, a record of each vote cast, a copy of any written material used as the basis for or created in connection with proxy voting decisions.

TVA recognizes that there may be a potential conflict of interest when it votes a proxy. To that end, TVA has implemented procedures to address certain votes that may be subject to a material conflict of interest, including, but not limited to: (a) evaluating the nature of TVA's and its employees' material business and personal relationships with any company whose equity securities are held in client accounts and any client that has sponsored or has material interest in a proposal upon which TVA, on behalf of the client, is eligible to vote; (b) prohibiting employees involved in the decision making process or vote administration from revealing how TVA intends to vote on a proposal in order to reduce any attempted influence from interested parties; and (c) where a material conflict of interest exists, abstaining from voting in certain circumstances or, (d) where necessary, considering the views of a third party research service.

Clients may obtain information about how TVA votes proxies on their behalf by contacting their TVA administrative representative. Alternatively, clients may make a written request for proxy voting information to: Chief Compliance Officer, Transparent Value Advisors, LLC, 135 East 57th Street, New York, NY 10022.

Item 18 – Financial Information

- A. TVA does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet of its most recent fiscal year.
- B. The management of TVA believes it has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.
- C. TVA has not been the subject of a bankruptcy proceeding at any time during the past ten years.