

**ITEM 1**

**COVER PAGE**

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**GUGGENHEIM**

**GUGGENHEIM INVESTMENT ADVISORS, LLC**

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**PART 2A OF FORM ADV: FIRM BROCHURE**

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This brochure provides information about the qualifications and business practices of Guggenheim Investment Advisors, LLC (“GIA”), a Delaware limited liability company. If you have any questions about the contents of this brochure, please contact us at (212) 201-9405 or [dina.dilorenzo@guggenheimpartners.com](mailto:dina.dilorenzo@guggenheimpartners.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. GIA is registered as an investment adviser with the SEC. Registration does not imply a certain level of skill or training.

Additional information about GIA is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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March 30, 2016

## **ITEM 2**

### **MATERIAL CHANGES**

GIA is required to identify and discuss any material changes made to this brochure update since its last annual update submitted on March 31, 2015. The following material changes have been identified:

GIA added quantitative hedging strategies for institutional clients to its types of advisory services offered.

Georgia Cochrane became GIA's Chief Compliance Officer replacing Erin King.

GIA is not taking on new wealth management business and discontinued its associated wrap program. GIA will continue to monitor and provide investment advisory services to limited legacy wealth management clients.

GIA has discontinued offering the Guggenheim Investment Equity Long/Short Fund, LLC, Guggenheim Investment Advisors Global Macro and Trading Fund, LLC, and Guggenheim Investment Advisors Multi Strategy Fund, LLC and the funds are liquidating.

### ITEM 3

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## ITEM 4

### ADVISORY BUSINESS

#### A. General Description of Advisory Firm

GIA is a Delaware Limited Liability Company and began operations in July 2000. GIA is wholly owned by GWM Holdco, LLC. GWM Holdco, LLC is a subsidiary of Guggenheim Partners, LLC, which in turn is a subsidiary of Guggenheim Capital, LLC. Guggenheim Capital is owned in part by Sage Assets, Inc. Sage Assets, Inc. is wholly owned by Sammons Equity Alliance, Inc. Sammons Equity Alliance, Inc. is wholly owned by Consolidated Investment Services, Inc., which is wholly-owned by Sammons Enterprises, Inc., which is owned by Sammons Enterprises, Inc. Employee Stock Ownership Trust. GreatBanc Trust Company is the Trustee for Sammons Enterprises, Inc. Employee Stock Ownership Trust.

#### B. Description of Advisory Services

GIA's business focuses on serving clients that includes insurance companies, private funds, intermediaries, individuals, trusts, and other entities. GIA provides investment advisory services offered on a discretionary or non-discretionary basis. These services include a variety of strategies and services including implementation of quantitative investment strategies which contains hedging strategies and algorithmic based strategies, manager selection, portfolio implementation, monitoring and rebalancing, and reporting.

GIA is the advisor to the Guggenheim Onshore Access Fund, LLC and the Guggenheim Offshore Access Fund, Ltd., (together, the "Access Funds") unmanaged pooled investment vehicles that provide access for investors to a selection of third party investment funds (each, an "Investment Fund") offered, managed or advised by a different adviser than GIA ("Investment Managers") who may be affiliated with GIA. The Access Funds make alternative investing accessible to other investment advisers, family offices, trust companies, private banks, and other intermediaries (together, "Advisors"), who may in turn serve their own clients for the benefit of their clients. Access Fund subscribers invest in a Series of the respective Access Fund that corresponds to an investment in an underlying Investment Fund. Certain Investment Managers may be affiliates of GIA. Advisors may select any combination of Investment Funds. Through an agreement with the Access Funds, GIA provides services to the Access Funds including investment research and operational due diligence, reporting, regulatory compliance, and operational and legal management. Please see Item 8, "**METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**" for more details on and descriptions of GIA's investment strategies and the evaluation, selection and monitoring of Investment Managers.

A portion of GIA's business offers advisory services to affiliated private investment funds, the Guggenheim Investment Equity Long/Short Fund, LLC, Guggenheim Investment Advisors Global Macro and Trading Fund, LLC and Guggenheim Investment Advisors Multi Strategy Fund, LLC (together, the "Strategy Funds"). The Strategy Funds which are exempt from registration under the Investment Company Act of 1940, as amended and interests in the Strategy Funds are not registered under the Securities Act of 1933, as amended. The Strategy Funds are in liquidation mode and are currently closed to new investors.

The descriptions set forth in this Brochure of specific advisory services that GIA offers to clients should not be understood to limit in any way GIA's investment activities. GIA may, in the future, offer any advisory services, engage in any investment strategy and make any investment that GIA considers appropriate, subject to each client's investment objectives and guidelines.

GIA does not restrict its investment advice to certain specific types of investments; however decisions regarding portfolio recommendations will be made in accordance with the applicable investor, private fund(s) or stated investment objectives, including limitations on investment. GIA's portfolio management team evaluates, selects and monitors Investment Managers on an ongoing basis, as more fully described in Item 8, "**METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.**"

C. Wrap Fee Programs

Currently, GIA does not sponsor a wrap fee program but may do so in the future.

D. Assets Under Management

As of December 31, 2015, GIA managed on a discretionary basis, regulatory assets under management of \$107,282,343 and \$635,592,843 on a non-discretionary basis.

## ITEM 5

### FEES AND COMPENSATION

**Guggenheim Access Fund Fees.** GIA charges the Access Funds a fixed fee for certain research and administrative services which is determined annually.

For information pertaining to the fees charged to clients of advisors who utilize the Access Funds platform please contact [investorrelations@guggenheimaltsplatform.com](mailto:investorrelations@guggenheimaltsplatform.com).

**Quantitative Strategy Fees.** The management fee may be negotiated and shall be calculated monthly.

**Strategy Funds.** The management fee for the Strategy Funds is based on a percentage of the investor's net assets under management at fixed annual rates that range from 0.25-1.25% per year. The management fee charged by the Strategy Funds may be subject to negotiation for certain investors. Management fees may be charged monthly or quarterly, generally in arrears, and are pro-rated for partial periods.

**Wealth Management Fees.** GIA charges clients a management fee for advisory services provided that is set forth in the investment advisory agreement. The management fee typically accrues at the end of each month and is payable quarterly in arrears. The management fee is negotiable and is generally based on assets under management. The management fee varies based on the types of assets included in the client's portfolio, the complexity and size of the portfolio, the services to be provided and other factors. Accordingly, the management fee for any given client may be higher or lower than for any other client.

To the extent that any portion of a wealth management client portfolio is allocated to an Investment Manager for management, all fees charged by that Investment Manager may be billed to the client by GIA separately and in addition to GIA's applicable management and performance fees unless otherwise agreed by the client. Similarly, with respect to any portion of a client portfolio invested in pooled investment vehicles such as mutual funds, exchange traded funds and other private funds or hedge funds, including the Access Funds, the client may bear the cost of such investment, including the Investment Manager's compensation, in addition to GIA's management fee. Other fees may include brokerage fees, custodial fees, fees in the case of private placement variable universal life to cover mortality and expense charges, or the cost of

insurance or other third party fees. Brokerage and custody fees are also discussed herein at Item 12, “**BROKERAGE PRACTICES**” and Item 15, “**CUSTODY**”.

**Intermediary Fees.** GIA does not maintain a basic fee schedule for intermediary clients. Fees for services will be negotiated and billed on a case-by-case basis. GIA currently does not charge performance-based fees to intermediary clients, although it may do so in the future.

Investment Managers may charge performance-based fees to an Investment Fund or separately managed account in which the Access Funds may invest. Such performance fees generally will be equal to a percentage of the net realized and unrealized profits earned by a client for each year, although it may be assessed more frequently. Performance fees will be charged in accordance with Section 205 of the Advisers Act and the conditions of Rule 205-3 thereunder. All Investment Fund offering documents disclose where performance fees may be charged by an Investment Manager to the Investment Fund. The Access Funds also pay their own expenses, which may include brokerage and other transaction costs as further described at Item 12, “**BROKERAGE PRACTICES**”.

## **ITEM 6**

### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As described under Item 5 above, GIA may charge certain clients performance-based fees and other clients only a management fee. GIA may face conflicts of interest by managing accounts for clients charged a performance-based fee and accounts for clients charged only a management fee or a flat fee, including that GIA may have an incentive to favor accounts for which it receives performance-based fees. GIA’s performance fees may create an incentive for it to make investments that are riskier or more speculative than would be the case in the absence of such fees because GIA benefits from such fees on the appreciation in value of the applicable investments. Portfolio managers employed by GIA or its affiliates may manage multiple accounts according to the same or similar investment strategies and may seek to make or sell investments in the same securities, instruments, sectors or strategies. This side-by-side management of multiple accounts may create potential conflicts, particularly in circumstances where the availability or liquidity of investment opportunities is limited.

## **ITEM 7**

### **TYPES OF CLIENTS**

GIA provides investment advice to insurance companies, private funds, Advisors, individuals, trusts, and other entities. Investor qualification requirements for the Access Funds are set forth in the offering documents and investment minimums begin at \$100,000 depending on the investment series. Generally, GIA provides services to high net worth individuals, trusts and other entities that have a minimum of \$25 million but may consider clients with lower investable assets. There is no minimum asset base required for Advisor clients, and GIA will evaluate each intermediary on a case by case basis.

## ITEM 8

### METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

#### A. Methods of Analysis and Investment Strategies

GIA's portfolio management team is responsible for (i) portfolio modeling and asset allocation, (ii) Investment Manager due diligence, selection and ongoing evaluation of performance, strategy and risk, and (iii) quantitative strategies.

In some instances, GIA may develop customized asset allocation recommendations for clients and/or prospective clients based on these investors' objectives and restrictions. In these instances, GIA will evaluate an investor's financial situation and risk tolerance, and recommend a portfolio allocation which would take into consideration potential liquidity constraints, asset or liability matching goals, permitted investment structures, historic and expected market correlation, historic and forecast maximum drawdowns, and any other specific investment instructions from the client and/or prospective client.

With respect to Investment Manager and investment vehicle selection, GIA employs a detailed approach to researching and selecting Investment Managers suitable for investment. This analysis and selection process is performed for individual clients and the Access Funds. GIA identifies potential Investment Managers through networks established by analysts at GIA and its affiliates, as well as through periodicals, directories and databases containing information about Investment Managers. After a potential Investment Manager is identified, GIA and/or one of its affiliates will perform investment, operational and/or other due diligence on the Investment Managers and its key personnel through a variety of methods, including a review of the Investment Funds offering documents and SEC or other regulatory filings (if applicable), as well as interviews with the Investment Managers personnel (both principals and staff).

After an Investment Manager has been approved, GIA and/or one of its affiliates conduct on-going reviews and analysis of the Investment Fund's investment performance, including adherence to its investment strategy, guidelines and restrictions. Investment Fund performance is reviewed relative to applicable major market and style indices, on both an absolute and a risk-adjusted basis.

GIA may cease recommending an Investment Manager for reasons including, but not limited to, changes in management or ownership, poor performance, failure to follow a stated investment discipline or other concerns, or because of the identification of an alternative Investment Manager that provides similar investment characteristics but is thought to be superior.

GIA evaluates Investment Managers specializing in a wide variety of financial instruments and investment strategies, including (i) domestic and international fixed income, including taxable and tax-exempt; (ii) equity and long-short equity securities, including domestic, international and developing economy; (iii) real assets and inflation-related strategies, including real estate, commodities and inflation-linked financial instruments; and (iv) multi-strategy funds, such as opportunistic, relative value, distressed securities, global macro, managed futures, market neutral and event driven.

GIA seeks out Investment Managers with a range of disciplines to make a wide variety of strategies available. Each of the investment strategies has risks. Investing in securities involves risk of loss that an investor should be prepared to bear.

An investment in a pooled investment vehicle sponsored or managed by GIA or its affiliate that allocates or provides access to Investment Managers carries certain risks that are described below.

## B. Types of Risks

**Limited Transparency.** To the extent that one of the Access or Strategy Funds (together “GIA Funds”) invests in an Investment Manager’s Investment Fund, GIA will have limited access to information that might permit early detection of problems or management issues. Many Investment Managers do not distribute performance figures until month or quarter end, and information on their positions may be vague. The timeliness and usefulness of that information could create issues for the management of the Strategy Funds.

Limited transparency is also a factor using an algorithm. While executing an order the lack of visibility into the algorithm can be problematic for a particular market condition or investment.

**Layered Expenses.** In addition to directly bearing the costs and expenses arising from an investment in the GIA Funds, investors will bear, indirectly, the costs and expenses borne by the underlying funds or accounts. See Item 5, “FEES AND COMPENSATION” above.

**Performance Compensation.** The GIA Funds often will pay performance compensation to individual Investment Managers based on the independent performance of the Investment Manager’s fund or account. The GIA Funds may be required to pay performance compensation to Investment Managers even if the GIA Funds experiences a loss overall.

**Lengthy Withdrawal Process.** The process of withdrawing from an Investment Manager may be complicated by “lock ups” or “gates,” which prevent investors from withdrawing during particular time periods or impose fees. In addition, Investment Managers may have the ability to withhold a portion of the withdrawal proceeds. These restrictions may hinder the GIA Funds’ ability to make timely withdrawal payments to investors.

**Hedging Transactions.** GIA may enter into hedging transactions to seek to reduce risk for client investments. Such transactions may not be fully effective in mitigating risk, which may result in losses. Furthermore, hedging techniques involve one or more of the following risks: (i) imperfect correlation; (ii) lack of a secondary market; (iii) losses resulting from interest rate, spread or other market movements; (iv) additional margin or other payment requirements; and (v) default or refusal to perform on the part of the counterparty with which the GIA trades. Additionally, to the extent that any hedging strategy involves the use of over-the-counter derivatives transactions, such a strategy would be affected by implementation of various regulations.

**Algorithmic Trading.** GIA may use algorithms for trade execution for institutional clients. Algorithms identify opportunities using a systemic approach in an automated computer system that could be affected by connectivity errors or system failure. The mathematical model that defines the instructions by which each client’s objectives are transacted varies.

**Analytical Model Risk.** While GIA employs controls designed to assure that our models are sound in their development and appropriately adapted, calibrated and configured, analytical error, software development errors, and implementation errors are an inherent risk of complex analytical models and quantitative investment management processes. These errors may be extremely hard to detect in some cases, and some errors may go undetected for long periods of time, or not be detected at all. GIA controls, including our escalation policies, are designed to assure that certain types of errors are subject to review once discovered. However, the effect of errors on our investment process and, where relevant, performance (which can be either positive or negative) may not be fully apparent even when discovered. Given the inevitability of errors in our complex programming environment and the speculative nature of investing itself, one critical control is to ensure our portfolios are robust to small errors by monitoring them for adherence to the key



elements of our investment philosophy. Our investment personnel exercise judgment and discretion in model output.

**Technology and Licensing Risk.** The investment strategy of and recommendations developed by GIA rely heavily on the use of proprietary and non-proprietary software. Data, and intellectual property being license to us on a non-exclusive basis by commercial software analytics, research and data supply entities. To the extent that an unforeseeable software or hardware malfunction or problem is caused by a defect, virus or other outside force, GIA's business including our financial condition, and/or our client portfolios may be adversely affected. In addition, if licensed material is found to be owned by a third party, and not by the licensing company, as represented, GIA's business, including our financial condition, and/or our client's portfolios may be adversely affected.

**Risks of Investing with Third Party Managers.** There is no guarantee that the manager of a pooled investment vehicle will be successful in selecting Investment Managers. Decisions regarding timing, size of allocation to Investment Managers and the overall mix of trading styles will all impact each investor's performance. Investing with Investment Managers, whether directly or indirectly carries certain risks. Each Investment Fund will be subject to the risks inherent in the strategies pursued by the corresponding Investment Manager and the financial instruments held by the Investment Fund. In certain circumstances, an Investment Fund may be required to indemnify its corresponding Investment Manager, its affiliates and/or its members, principals, officers and agents. The indemnification obligations could result in substantial fees and expenses to investors.

It is not possible in this Brochure to list the types of risk applicable to all the activities in which each Investment Fund may engage. However, the following risks describe the risk relating to the principal investment strategies expected to be undertaken by one or more Investment Manager and financial instruments to be held by one or more Investment Funds.

**General Investment Risk.** All investments in securities and other financial instruments involve substantial risk of volatility (potentially resulting in rapid declines in market prices and significant losses) arising from any number of factors that are beyond the control of the Investment Manager, such as: changing market sentiment; changes in industrial conditions, competition and technology; changes in inflation, exchange or interest rates; changing domestic or international economic or political conditions or events; changes in tax laws and governmental regulation; and changes in trade, fiscal, monetary or exchange control programs or policies of governments or their agencies (including their central banks).

**Past Performance Is No Guarantee of Future Results.** There is no guarantee that an Investment Manager that has profitably executed a strategy in the past will continue to be profitable in the future.

**Leverage.** The investment strategies used by Investment Managers may require the use of substantial leverage, which may magnify the degree of risk. To the extent that the Investment Manager uses leverage in a separately managed account, its trading positions may result in losses that exceed the value of the assets committed to the managed account.

**Use of Derivatives.** GIA and certain of the Investment Managers may use derivative instruments, including futures contracts, option contracts, swap agreements and forward contracts, as well as derivative techniques for hedging or speculative purposes. The use of such instruments or techniques may result in significant leveraging of the assets of the Investment Fund or account managed.

#### Purchase and Sale of Futures Risk

Certain of our portfolios may invest in futures on individual securities, indexes and currencies. Futures are

volatile and are influenced by a variety of factors, including national and international political and economic developments. In addition, because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to a portfolio. Positions in futures may be closed out only on the exchange on which they were entered into or through a linked exchange, and no secondary market exists for those contracts. Although relevant portfolios typically will enter into futures contracts only if an active market exists for the contracts, no assurance can be given that an active market will exist for the contracts at any particular time. Moreover, futures positions are marked-to-market at the end of each trading day. This process ensures that outstanding futures obligations are limited by the maximum daily permissible price movements and to prevent losses from accumulating in any futures account. Accordingly, if a portfolio's futures positions have declined in value, the portfolio may be required to post additional margin to cover this decline. Alternatively, if a portfolio's futures positions have increased in value, this increase will be credited to the portfolio's account or transferred to the portfolio's custodian. Unlike trading on the U.S. futures exchanges, trading on non-U.S. futures exchanges is not regulated by the U.S. Commodity Futures Trading Commission and may be subject to greater risks than trading on the U.S. exchanges. For example, some non-U.S. exchanges are principal markets so that no common clearing facility exists and a trader may look only to the broker for performance of the contract. In addition, unless a portfolio successfully hedges against fluctuations in the exchange rate between the U.S. dollar and the currencies in which trading is done on foreign exchanges, any profits that the portfolio might realize in trading could be eliminated by adverse changes in the exchange rate, or the portfolio could incur losses as a result of those changes.

#### Forward Contracts

Forward contracts and options thereon are not traded on exchanges, are not standardized and are not currently regulated. Instead, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities, or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in forward markets due to unusually high trading volume, political intervention, or other factors. The imposition of controls by governmental authorities or the implementation of regulations might also limit such forward (and futures) trading to less than that which GIA or the Investment Manager would otherwise recommend, to the possible detriment of a client. Market illiquidity or disruption could result in significant losses.

#### Risks Related to OTC FX Transactions and FX markets

Foreign exchange ("FX") rates may be highly volatile and are influenced by many factors. FX rates are influenced by supply and demand, which in turn are influenced by existing and expected rates of inflation, existing and expected interest rate levels, the balance of payments between the relevant countries and government surpluses or deficits in the relevant countries, among other factors. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time. Foreign currency risks include, but are not limited to, convertibility risk, market volatility and potential interference by foreign governments through regulation of local markets, foreign investment or particular transactions in foreign currencies. FX rates may be especially volatile during times of financial turmoil, as capital can flow very quickly out of regions that are perceived to be impacted disproportionately by such turmoil.

**Use of Fixed Income Instruments.** Price movements in fixed income investments are influenced

principally by changes in interest rates, as well as in the borrower's ability to repay the investment (*i.e.*, interest rate risk and credit risk). Changes in the interest rate or creditworthiness of the issuer could negatively impact the value of fixed income instruments.

**Use of Equity Instruments.** The value of equity securities and equity derivatives generally will vary with the performance of the issuer and movements in the equity markets and an Investment Fund may suffer losses if it invests in equity instruments of issuers whose performance diverges from the Investment Manager's expectations or if equity markets generally move in a single direction and such Investment Fund has not hedged against such a general move.

**Non-U.S. Investments.** Trading on foreign exchanges involves the additional risks of expropriation, burdensome or confiscatory taxation, moratoriums and investment controls, or political or diplomatic events that might adversely affect trading activities. The risks of investing in non-U.S. securities and other financial instruments may also include reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets and higher brokerage commissions and custody fees. Furthermore, foreign trading is also subject to the risk of changes in the exchange rate between U.S. dollars and the currencies in which the securities or other financial instruments traded on such exchanges are settled.

**Counterparty Risk.** Certain securities and other financial instruments may be traded in "over-the-counter" or "interdealer" markets, where participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of exchange-based markets. This exposes the Investment Fund or account to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not *bona fide*) or because of a credit or liquidity problem, thus causing the Investment Fund or account to suffer a loss.

**Market Volatility.** An Investment Manager may trade in markets where prices may fluctuate rapidly and over wide ranges. All strategies implemented by Investment Managers will be subject to some dimension of market risk, including the restricted availability of credit, governmental intervention, directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility and the "flight-to-quality."

The diversification of a portfolio may not always be significant and, even if significant, may not provide meaningful risk control, even though it may reduce such Investment Fund's profit potential. The particular or general types of market conditions in which different Investment Managers may incur losses cannot be predicted, and several Investment Managers may materially underperform other money managers that implement substantially similar investment strategies and approaches. Certain market conditions, such as inflation, shortages of credit, declining stock markets, economic recession and rising interest rates, could materially reduce the profit potential of many of the Investment Funds.

**Market Disruptions.** Certain exchanges have the ability to invoke "circuit breakers" or otherwise suspend or limit trading when prices move too rapidly. Suspended or limited trading could result in the inability of an Investment Manager to liquidate positions, exposing the Investment Fund or account to continuing losses.

**Liquidity Risk.** Interests of the Investment Funds will not be freely transferable and may be illiquid. An investor may only redeem its investment in the Investment Fund consistent with the terms set forth in the relevant supplement to the prospectus of each Investment Fund.

**Operational Risk.** Operational risks may arise, for example, from mistakes made in the confirmation or settlement of transactions, transactions not being properly booked, evaluated or accounted for or other similar

disruptions in operations that may cause financial loss, disruption of business, liability to clients or third parties, regulatory intervention or reputational damage.

**Convertible Securities.** A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by an Investment Fund is called for redemption, such Investment Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have a material adverse effect on an Investment Fund's performance. Convertible securities are also subject to liquidity risk based on market conditions.

**Systems Risks.** GIA depends on various service providers to maintain appropriate systems to facilitate such clients' activities. Each such service provider may rely extensively on computer programs and systems to trade, clear and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor the portfolio and net capital and to generate risk management and other reports that are critical to oversight of a clients' activities. In addition, certain of the Investment Managers' operations will interface with or depend on systems operated by third parties, including prime brokers, securities exchanges and other types of trading systems, market counterparties, custodians and other service providers. Service providers may not be in a position to verify the risks or reliability of such third-party systems. Furthermore, these programs or systems may be subject to defects, failures or interruptions, including, without limitation, those caused by computer "worms," viruses and power failures. Any such defect or failure could have a material adverse effect on a GIA Fund. For example, such failures could cause the settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect GIA's ability to monitor the investment portfolios and risks.

**In-Kind Distributions.** Each GIA Fund expects to distribute cash upon a redemption or withdrawal. However, there can be no assurance that a GIA Fund will have sufficient cash to satisfy redemption requests or withdrawal due to an insufficient amount of cash available to the GIA Fund or the inability of such GIA Fund to liquidate investments at the time of such redemption requests at favorable prices. Under the foregoing circumstances, and under other circumstances deemed appropriate by GIA, a GIA Fund may be required to make an in-kind distribution.

**Effect of Substantial Redemptions from a GIA Fund.** A number of events could trigger substantial redemptions from a GIA Fund. Actions taken to meet substantial redemption requests could result in a decrease in prices of assets held by a GIA Fund and an increase in expenses (*e.g.*, transaction costs and the costs of terminating agreements). The overall value of a GIA Fund also may decrease because the liquidation value of certain of its assets may be materially less than their mark-to-market value. A GIA Fund may be forced to sell its more liquid positions, may need to maintain greater amounts of cash and cash-equivalent investments than it would otherwise maintain and may also be restricted in its ability to obtain financing or derivatives counterparties needed for certain investment and trading strategies.

**Custodians May Fail.** The institutions with whom GIA will do business and with whom the clients' assets will be held, may encounter financial difficulties that may impair the operational capabilities or the capital position of the GIA Funds. No assurance can be given that GIA will be able to successfully determine whether a custodian may fail.

**Availability of Information; Risk of Fraud.** Although GIA attempts to mitigate the risk of fraud, some of the Investment Managers may provide very limited information with respect to their operation and performance, thereby severely limiting GIA's ability to independently verify any representations made by the Investment Managers. This may result in significant losses of which GIA has limited or no knowledge. While GIA will seek to obtain information on a continuing basis regarding the operations of Investment Managers, no assurance can be given that an Investment Manager will not engage in fraud. While GIA will

seek to perform all appropriate due diligence on each Investment Manager, it is impossible to predict whether any Investment Manager will engage in fraudulent behavior or otherwise act to the detriment of a GIA Fund.

The risk factors described above are not exhaustive, but rather represent some of the more common risks ascribed to investing in portfolios and products that are advised by GIA. Additional risks may apply to specific pooled investment vehicles, including the GIA Funds, separately managed accounts and other products and are more fully described in the offering and other disclosure documents that may be provided to an investor. All investments are subject to the risk of loss that an investor should be prepared to bear.

## **ITEM 9**

### **DISCIPLINARY INFORMATION**

There are no legal or disciplinary events that are material to a client's or investor's or prospective client's or prospective investor's evaluation of GIA's advisory business or the integrity of GIA's management.

## **ITEM 10**

### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

#### **A. Broker-Dealer Registration Status**

GIA is neither registered nor has an application pending to register as a broker-dealer; however, the following management persons are registered representatives of Guggenheim Investor Services, LLC ("GIS"), a U.S. Securities and Exchange Commission registered broker-dealer, member of FINRA and SIPC, and an affiliate of GIA: Dina DiLorenzo, Donald J. Mueth, Erin King, and Georgia Cochrane.

#### **B. CFTC Registration Status**

As of January 1, 2013, GIA is a NFA approved member and CFTC registered Commodity Pool Operator ("CPO"). The following management persons are listed principals: Dina DiLorenzo, Donald J. Mueth and Georgia Cochrane. Dina DiLorenzo is also registered as an Associated Person.

#### **C. Industry Relationships Material to Advisory Business**

GIA and/or its management persons, maintain the following relationships or arrangements with related persons that are material to its advisory business:

GIS is an introducing broker-dealer registered with the SEC and a member of FINRA and SIPC. GIS is a related person of GIA because they share common ownership and control.

GIS may receive selling compensation as a result of its distribution of the Access Funds.

GP Feeder Fund Management, LLC ("GPFFM") is a related person of GIA. GPFFM is the managing member or holds a comparable position for the Access Funds. GPFFM may be paid a fee by the Access

Funds for its operational expenses.

Asset Consulting Group, LLC (“ACG”) is a related person of GIA. ACG is an investment adviser that is registered with the SEC and a pension consultant that provides portfolio advice and services to pension funds. GIA relies, in part, on research developed and provided by ACG. ACG may take action or provide different advice to its clients than GIA does with respect to its clients based on different investment objectives and requirements. In addition, a member of GIA’s management team is also a member of ACG’s management team.

Guggenheim Fund Solutions, LLC (“GFS”) is a related person of GIA and an investment adviser registered with the SEC. GFS is a NFA member registered with the CFTC as a CPO. GFS shares management persons and premises with GIA.

Guggenheim Investment Advisors (Hong Kong) Ltd. (“GIA HK”) is a related person of GIA. GIA HK is licensed by the Hong Kong Securities and Futures Commission. Certain GIA HK clients have invested in one or more of the Access Funds. A member of GIA’s investment committee provides services to GIA HK.

Guggenheim Partners Investment Management, LLC (“GPIM”) is a related person of GIA and investment adviser that is registered with the SEC. GPIM is a NFA member registered with the CFTC as a CPO and Commodity Trading Advisor. GPIM may be an Investment Manager and shares premises with GIA.

Guggenheim Securities, LLC (“GS”) is a related person of GIA and a broker-dealer registered with the SEC and a member of FINRA, NASDAQ and SIPC. GS shares premises with GIA.

Guggenheim Funds Distributors, LLC (“GFD”) is a related person of GIA and that is registered with the Securities and Exchange Commission, a NFA member and CFTC registered CPO, and broker/dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. GFD may also receive compensation related to the sale of the GIA Funds and shares premises with GIA.

Guggenheim Life and Annuity Company (“GLAC”) is a related person and insurance company client of GIA. Guggenheim Capital, LLC, GIA’s ultimate parent company, wholly owns GLAC.

Certain officers and directors of Guggenheim Capital, LLC and its subsidiaries, excluding GIA (“Guggenheim Related Persons”), have indirect economic interests or voting interests in certain companies, including GLAC, which is an advisory client of GIA, and these Guggenheim Related Persons may from time to time enter into transactions, including loans, with these companies or their affiliates. Guggenheim Related Persons also may have indirect economic interests or voting interests in issuers in which GIA has invested or will invest on behalf of its clients. Certain Guggenheim Related Persons are also directors or officers of certain insurance company clients.

GIA is also affiliated with other investment advisers, both registered and unregistered. These affiliated advisers are not material to GIA’s business. Certain of GIA’s management persons also hold positions with the affiliates listed above and in this Item 10. In these positions, those management persons of GIA may have some responsibility with respect to the business of these affiliates and the overall compensation these management persons receive may be based, in part, upon the profitability of other parts of Guggenheim Partners. Consequently, in carrying out their roles at GIA and these other entities, these management persons may be subject to the same or similar potential conflicts of interest that exist between GIA and these affiliates. GIA has established a variety of restrictions, policies, procedures, and disclosures designed to address potential conflicts that may arise between GIA, its management persons and its affiliates. These policies and procedures include information barriers designed to prevent the flow of information between GIA, personnel of GIA and certain other affiliates; policies and procedures relating to brokerage selection, trading with affiliates or investing in products managed or sponsored by affiliates; and allocation and trade sequencing policies applicable to client accounts. For additional information relating to GIA’s general processes to mitigate potential conflicts of interest, see “Item 6 – Performance-Based Fees and Side-By-Side Management – Allocation” and “Item 11 – Code of Ethics, Participation or Interest in Client

**D. Material Conflicts of Interest Relating to Other Investment Advisers**

GIA may recommend investments in separately managed accounts, pooled investment vehicles such as mutual funds, exchange traded funds and private or hedge funds, as well as other products that may be offered, managed or advised by GIA or one of its affiliates as described above. GIA and/or its affiliates may receive compensation as an Investment Manager or other service provider for funds, accounts or products; however, GIA is not compensated directly for the sale of a product or service offered, managed or advised by an affiliate. GIA has a conflict between its obligation to act in the best interests of its clients and any interest that GIA’s affiliates may have in generating revenues for themselves or promoting themselves. Such conflicts are disclosed in this Form ADV Part 2A Brochure, and may be disclosed in the offering materials of pooled investment vehicles, separately managed accounts and other products or services managed or advised by GIA and/or its affiliates.

Advisory relationships with related persons may pose potential conflicts of interest because there may be the perception that GIA may have the incentive to favor these related advisory clients over other advisory clients.

GIA, from time to time, initiates or recommends transactions in the securities of companies in which GIA’s affiliates have controlling interests or are affiliated. In addition, in some circumstances, GIA on behalf of its clients invests in issuers or borrowers, or otherwise participates in transactions, in which related persons of GIA, such as Guggenheim Related Persons or officers or employees of GIA, have invested or will invest, have other financial interests, or have financial or other relationships (including but not limited to directorships or equivalent roles) with affiliates or parties related to the issuers or borrowers in such transactions. Senior executives of Guggenheim Related Persons may also have provided loans to or received loans from, or from time to time in the future provide loans to or receive loans from, GIA clients.

Additional conflicts may arise where GIA invests client assets in parts of an issuer’s or borrower’s capital structure when GIA affiliates or related persons investing different parts of the same issuer’s or borrower’s (or its affiliate’s) capital structure (including but not limited to investments in public versus private securities, investments in debt versus equity, or investments in senior versus subordinated debt), or where the same or similar instruments in a given issuer or borrower held by GIA’s clients and GIA’s affiliates or related persons have different rights or benefits. The following conflicts may arise in such situations: (i) enforcement of rights or determination not to enforce rights by GIA on behalf of its clients may have an adverse effect on the interests of its affiliates or related persons, and vice versa, (ii) GIA may have an incentive to invest GIA client funds in the issuer or borrower to either facilitate or obtain preferable terms for a proposed investment by a GIA affiliate or related person in such issuer or borrower, or (iii) GIA may have an incentive to preserve or protect the value or rights associated with an existing economic interest of a GIA affiliate or related person in the issuer or borrower, which may have an adverse effect on the interests of GIA clients.

The financial interests of GIA’s affiliates or related persons creates a potential conflict between the economic interests of these affiliates or related persons and the interests of GIA’s clients.

GIA or its affiliates or related persons, or their respective officers, directors or employees, including portfolio managers or senior managers of GIA, also may have direct or indirect proprietary or personal investments in and/or have financial or other relationships (including but not limited to directorships or equivalent roles) with certain GIA clients or GIA managed private funds or other investment vehicles that may create potential conflicts of interest. For example, a potential conflict could exist to the extent that portfolio managers or senior GIA personnel, or investment vehicles in which they participate, have direct

or indirect personal investments in certain clients or when certain client accounts are investment options in GIA's employee benefit and/or deferred compensation plans. Investment vehicles in which GIA or its affiliates, or their respective officers, directors or employees, including portfolio managers or senior managers of GIA, have an interest may also receive loans or other funding from GIA clients. These participations or interests in client accounts may result in an incentive for GIA to favor these clients over other advisory clients. GIA's allocation policies and procedures with respect to the allocation of investment opportunities, more fully described in the response to Item 6, are intended to mitigate potential conflicts by providing that such investment opportunities are monitored and are allocated in a fair and equitable manner. For additional information regarding GIA's process for mitigating potential conflicts, see "Item 11—Code of Ethics, Participation or Interest in Client Transactions and Personal Trading—General Process Regarding Potential Conflicts".

## **ITEM 11**

### **CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

GIA has adopted a Code of Ethics pursuant to the Advisers Act Rule 204A-1. The Code of Ethics applies to all employees and is designed to address conflicts of interest arising among GIA, its employees and client transactions that may arise during the course of business. It is also designed to detect and prevent the misuse of material, nonpublic information. The Code of Ethics is based upon the principle that GIA's employees owe a fiduciary duty to clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid: (i) serving their own personal interests ahead of clients; (ii) taking inappropriate advantage of their position with GIA; and (iii) any actual or potential conflicts of interest or any abuse of the position of responsibility. The Code of Ethics establishes policies and procedures that are reasonably designed to (a) prevent improper personal trading, (b) identify circumstances that may result in an actual or potential conflict of interest or the appearance thereof, and (c) provide a means to resolve such conflicts. Generally, the Code of Ethics requires each employee of GIA and any other person subject to GIA's supervision and control to obtain prior approval of all personal transactions in securities. Clients and prospective clients may request a copy of GIA's Code of Ethics at the address or telephone number listed on the first page of this Brochure.

GIA may recommend investments in separately managed accounts, pooled investment vehicles, such as mutual funds, exchange traded funds and private funds and other products that are managed or advised by GIA and/or one of its affiliates. GIA and/or its affiliates may receive asset-based compensation as an issuer, underwriter, manager or adviser to such funds, accounts or products. This may create an incentive for GIA to recommend such separately managed accounts, pooled investment vehicles, such as mutual funds, exchange traded funds and private funds or other products for investors and clients, rather than recommending investment vehicles that are managed or advised by independent third parties. In addition, GIA's portfolio management fees and expenses, combined with fees charged by separately managed accounts, pooled investment vehicles, such as mutual funds, exchange traded funds and other private or hedge funds or other products managed or advised by GIA and/or its affiliates may result in an additional layer of fees and greater expense than would be associated with direct investment.



Certain employees of Guggenheim affiliates, provide supporting services to GIA. Such shared employees are not required to devote a certain amount of time to providing supporting services to GIA, and their other activities for the respective affiliate will involve a substantial devotion of time and effort. Such activities could be viewed as a conflict of interest in that the time and effort of such shared employees will not be devoted exclusively, or even predominately, to GIA activities. To the extent that such shared employees may have access to or come into possession of material, nonpublic or other confidential information of the other party or its clients, GIA has developed controls, including, but not limited to, the establishment of information barriers. GIA and applicable affiliates have established a protocol for the handling of investment opportunities related to the activities of the shared employees that requires GIA to monitor the handling of investment opportunities and to obtain informed client consent as to material conflicts of interest. All shared employees are subject to GIA's Code of Ethics and therefore all personal securities transactions and personal trading of shared employees who are "Access Persons" must be pre-cleared and reported in accordance with the Code of Ethics. To the extent that personal investing activities of shared employees raises potential conflicts of interest, GIA is authorized to suspend the shared employee arrangements or require that shared employees engage in such trading activities *pari passu* together with GIA clients.

Affiliates of GIA also may serve as service providers with respect to transactions, including as brokers and providers of other financial services for investors. Further, as described above, GIA may recommend investments in financial instruments issued, underwritten, distributed by or otherwise sponsored by its affiliates. The use of affiliated service providers, brokers, counterparties or distributors creates certain conflicts of interest between GIA's duties to its investors and its incentive to direct business to such affiliates. Additionally, affiliated service providers or brokers may not have the same independence with respect to the performance of their duties to a client as an unaffiliated service provider, broker or Investment Manager. Such conflicts are disclosed in this Form ADV Part 2A Brochure, as well as in the offering materials for GIA Funds.

## **ITEM 12**

### **BROKERAGE PRACTICES**

#### **A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions**

GIA implements investment strategies by allocating assets to separately managed accounts and pooled investment vehicles, such as mutual funds, exchange traded funds and private funds that are managed by Investment Managers. GIA has no control over the selection of brokers for individual pooled investment vehicles that it does not manage or advise. When GIA engages an Investment Manager to manage the assets of a separately managed account, GIA generally selects the broker(s) to be used in connection therewith, primarily based upon the Investment Manager's recommendation; however, the Investment Manager may be permitted to select the brokers with whom individual trades are executed. For operational and trading efficiency, the brokers selected by GIA for separately managed accounts are generally the ones recommended by the Investment Manager managing the account. In selecting a broker for a separately managed account, GIA, in consultation with the relevant Investment Manager, considers, to the extent consistent with any applicable obligations to obtain best execution, such factors as price; the ability of the broker to effect transactions; the broker's facilities, including information systems; the broker's reliability and financial responsibility; and any research products or services provided by such broker, including to

the relevant Investment Manager, or any other factors GIA or the relevant Investment Manager may deem appropriate with respect to the services provided by such broker. The client may provide GIA their preferred broker list or direct brokerage.

1. Research and Other Soft Dollar Benefits

Generally, the separately managed account pays its own brokerage commissions. GIA does not have any soft dollar arrangements with respect to any separately managed accounts that it manages directly. Certain of the Investment Managers may have soft dollar arrangements for separately managed accounts or pooled investment vehicles in which the GIA Funds invest. Any soft dollar arrangements entered into by GIA in the future are expected to be in compliance with Section 28(e) of the Securities Exchange Act of 1934, as amended; however GIA will develop specific written policies and procedures at such time as it determines to enter into any soft dollar arrangements.

During the last fiscal year, with respect to the GIA Funds, neither GIA nor the Investment Managers of the Investment Funds in which the GIA Funds invest directed client transactions to a particular broker-dealer in return for soft dollar benefits.

2. Brokerage for Client Referrals

When selecting or recommending broker-dealers, GIA does not consider whether GIA or a related person receives client referrals from such broker-dealer or any third party and does not solicit such referrals.

3. Directed Brokerage

Clients of GIA may direct brokerage. Where GIA has the authority to select a broker-dealer to execute a transaction, it will do so in a manner consistent with its obligation to seek best execution. GIA may recommend affiliated and unaffiliated brokers to its clients.

GIA has no control over the selection of brokers for Investment Funds managed by an Investment Manager that are executed through and maintained by an independent investment adviser.

B. Aggregated or “Bunched” Orders

GIA may advise clients with similar investment strategies. GIA has implemented policies and procedures that govern the allocation of investment opportunities among clients in a fair and equitable manner, taking into account the needs and investment objectives of the clients as well as prevailing market conditions. In such circumstances, if an investment opportunity would be appropriate for more than one client, GIA may be required to choose among those clients in allocating the opportunity, or to allocate less of the opportunity to a client than it would ideally allocate if it did not have to allocate to multiple clients. In addition, GIA may determine that an investment opportunity is appropriate for a particular account, but not for another. There can be no assurance that a particular investment opportunity will be allocated in any particular manner.

In order to minimize execution costs for clients, trades in the same security transacted on behalf of more than one client may be aggregated (i.e. blocked or bunched), subject to the aggregation being in the best interests of the participating clients and the firm’s obligation to seek best execution. GIA will aggregate trades, unless it believes that doing so would conflict or otherwise be inconsistent with its duty to seek best execution for the clients and/or the terms of the respective investment advisory contracts and other

agreements and understandings relating to the clients for which trades are being aggregated. When GIA believes that it can effectively obtain best execution for the clients by aggregating trades, it will do so for all clients participating in the trade for which aggregated trades are consistent with the respective investment advisory contracts, investment guidelines, and other agreements and understandings relating to the clients.

In the event trades are aggregated, GIA shall: (i) treat all participating client accounts fairly; (ii) continue to seek best execution; and (iii) ensure that clients who participate in an aggregated order will participate at the same price, net of transaction costs.

When a trade is to be executed for a single client and the trade is not in the best interests of other clients at the time of the transaction, then the trade will be executed only for that client. Other instances in which client orders will not be aggregated include, but are not limited to, the following:

- Traders and/or portfolio managers determine that the aggregation is not appropriate due to market conditions;
- Portfolio managers effect the transactions through an approved client-requested directed-brokerage arrangement (i.e. the same security/investment with different brokers), making aggregation unfeasible; or
- A client directs a purchase or sale transaction not in the best interests of other clients at the time of the transaction.

Aggregated transactions will be allocated among the participating client accounts after taking into consideration the specific objectives and constraints for each account, which could include, but are not limited to, the following: risk tolerance; rating constraints; maturity constraints; issue size; yield; purchase price; existing exposure of the investment vehicle; minimum trade allocation; minimum position holding size; sector allocation limits; duration; convexity; strategy; lot size; market conditions; and investment guideline considerations. GIA has no control over the placement of orders that are executed through and maintained by an Investment Manager.

## ITEM 13

### REVIEW OF ACCOUNTS

**Strategy Fund Reviews.** As the GIA Strategy Funds are in liquidation mode, GIA generally performs a periodic operational review of the Strategy Funds and reviews portfolio allocations monthly or more frequently. The client receives an NAV statement on a monthly basis.

**Access Fund Reviews.** GIA will provide Access Fund clients with ongoing evaluation and reporting. GIA monitors and evaluates the performance of the assets and provides clients with consolidated reporting of all assets on a quarterly basis.

**Quantitative Model Oversight.** In connection with Guggenheim's implementation of quantitative investment strategies, GIA is responsible for the evaluation, testing of programming code ("Code") and maintaining related records. Such records include, at a minimum, a description of the quantitative investment approach or strategy, copies of related client disclosures, the approved theorems or formulae, the Code itself, a testing plan and related testing results, and the approval by the GIA's Head of Business

and Chief Compliance Officer. GIA conducts a review of the operational Code used in the implementation of GIA's quantitative investment strategies on an annual basis in an effort to determine whether the Code is performing as intended and in a manner consistent with client disclosures. The Chief Compliance Officer or its designee will conduct an annual assessment of the model control environment, to be memorialized in the Chief Compliance Officer's risk assessment. On a quarterly basis, the head of each quantitative team must complete a verification checklist signed by the quantitative team head, Guggenheim's Head of Business and the Chief Compliance Officer.

## **ITEM 14**

### **CLIENT REFERRALS AND OTHER COMPENSATION**

GIA does not receive economic benefits from non-clients for providing investment advice and other advisory services. GIA may compensate an affiliated solicitor, including its own employees, affiliates, employees of its affiliates or third party solicitors, including placement agents, finders, distributors or similar persons who refer clients to GIA. Any such compensation generally is expected to be paid by GIA to the solicitor and will not result in any additional charge to its clients.

Where applicable, GIA acts in accordance with the Advisers Act Rule 206(4)-3 and other applicable federal and state laws.

Solicitation fees may be calculated as a percentage of the management fees or allocations actually received by GIA or its affiliates with respect to such clients or interests.

## **ITEM 15**

### **CUSTODY**

GIA as an investment adviser to private funds is deemed to have custody. Investors in the Strategy Funds receive monthly unaudited statements from the fund administrator showing account net asset values, changes in account values and account activity. On an annual basis, or as necessary, investors in Strategy Funds also receive copies of the relevant Strategy Fund's audited financial statements.

## **ITEM 16**

### **INVESTMENT DISCRETION**

GIA offers clients investment advisory services on a discretionary or non-discretionary basis. A client signing a discretionary investment advisory agreement is granting GIA the ability to implement investment decisions on such client's behalf, subject to any limitations imposed by the client. If the client would like GIA to provide services on a discretionary basis, GIA will receive such written authority, prior to engaging

in any advisory services for the client. Where a client elects that GIA will provide services on a non-discretionary basis, GIA will not have authority to execute any of its recommendations without the approval of the client. In all cases, such discretion is to be exercised in a manner consistent with the written investment objectives for the particular client portfolio according to the applicable Investment Policy Statement. When providing services for investors, GIA observes the investment policies, limitations and restrictions as set forth in the individual Investment Policy Statements.

GIA may provide services to intermediaries on a non-discretionary basis. Such intermediaries may in turn use GIA services to provide advisory services to their clients. In this case, GIA will not have the authority to implement any investment recommendations. The intermediaries may provide services to their own clients; GIA may act as a sub-advisor in terms of providing investment advice to the intermediary on behalf of its underlying client. However, GIA will not provide direct investment advice to the clients of the intermediaries.

Prior to providing any advisory services, discretionary or non-discretionary, GIA requires that all clients enter into a written investment advisory agreement. Clients must provide personal and financial information to GIA. The intermediaries may enter into an agreement with GIA in order to receive information about GIA managed products or services that intermediaries may recommend to their clients. Investors advised by intermediaries must enter into an advisory agreement with that intermediary. Any investor who receives a portfolio allocation recommendation to invest in a GIA Funds must be qualified to invest on a private placement basis.

GIA has discretionary authority with respect to the investment allocations for the Strategy Funds, and its advice with respect to those the Strategy Funds is exercised in accordance with the investment objectives and guidelines set forth in such Strategy Funds' operating agreements and offering documents. GIA assumes discretionary authority to manage the Strategy Funds through the execution of the applicable limited partnership agreements, limited liability company agreements, subscription agreements or other operating or investment management agreements of the Strategy Funds, which may contain a power of attorney on behalf of the Strategy Funds in certain circumstances. GIA may grant discretion, through investment management agreements, for the selection and timing of the purchase and sale of investment instruments to Investment Managers that advise a separately managed account or pooled investment vehicle to which the Strategy Funds allocates its assets.

## **ITEM 17**

### **VOTING CLIENT SECURITIES**

GIA may vote proxies or corporate actions with respect to securities in the Access Funds only. Aside from Access Fund investors, GIA clients typically retain the responsibility for voting proxies and other corporate actions that are held in the name of the individual investor.

Generally, an investor will receive proxies or other solicitations directly from its custodian or a transfer agent. In the event that GIA receives proxy materials or other solicitations on behalf of an investor, GIA will forward such information to the investor.

Investors may contact GIA at 212-901-9405 with operational questions about proxy materials or solicitations, but GIA will not advise on the merits of a particular solicitation.

## **ITEM 18**

### **FINANCIAL INFORMATION**

GIA is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients, and has never been the subject of a bankruptcy proceeding.