

# CALAMOS<sup>®</sup> WEALTH MANAGEMENT

April 20, 2018



Calamos Wealth Management LLC 2020 Calamos Court | Naperville, IL 60563

Telephone: 630.245.7200 | Email: [caminfo@calamos.com](mailto:caminfo@calamos.com) | Web Address: [www.calamos.com](http://www.calamos.com)

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

Additional information about Calamos Wealth Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as an SEC file number. Our firm's SEC file number is 801-67787.

## **Item 2: Material Changes**

Consistent with the SEC's ADV rules, we must provide you with a summary of material changes made to this Brochure since its last publication in March 28, 2017.

**Item 4: Advisory Business.** Item 4 has been enhanced to provide further clarification about investments in mutual funds and ETFs and to provide information on CWM's private label trust offering.

**Item 5: Fees and Compensation.** Item 5 has been amended to include information relating to fees charged to clients for certain sub-advised strategies. Note: CWM will obtain the client's written consent prior to allocating any portion of the client's assets to such sub-advisors. Item 5 has been enhanced to provide clarification on fees related to CWM's private label trust offering.

**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.** Item 8 has been amended to include additional risks.

**ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding any portion of the content of this amended Part 2A Brochure.

<b>Item 3:</b>	<b>Table of Contents</b>	<b>Page</b>
Item 1	Cover Page .....	1
Item 2	Material Changes.....	2
Item 3	Table of Contents.....	3
Item 4	Advisory Business.....	4
Item 5	Fees and Compensation .....	10
Item 6	Performance-Based Fees and Side-By-Side Management .....	13
Item 7	Types of Clients .....	14
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss.....	14
Item 9	Disciplinary Information .....	19
Item 10	Other Financial Industry Activities and Affiliations .....	19
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	21
Item 12	Brokerage Practices .....	23
Item 13	Review of Accounts.....	25
Item 14	Client Referrals and Other Compensation .....	26
Item 15	Custody .....	27
Item 16	Investment Discretion .....	28
Item 17	Voting Client Securities .....	28
Item 18	Financial Information .....	28

## Item 4: Advisory Business

### CORPORATE HISTORY

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

Our founder, John P. Calamos, Sr., began investing for his clients in the difficult markets of the 1970s. John developed pioneering strategies that sought to maximize the potential of convertible securities. Convertibles were little known at the time, but John recognized the potential of these securities to enhance returns and manage risk.

Because Mr. Calamos recognized that successful wealth management is about more than asset management, our firm was founded in 2007 to offer clients a suite of wealth planning services, including, to the extent requested, financial planning and related consulting services.

As of December 31, 2017, approximately 22% of the outstanding interests of CILLC was owned by CAM and the remaining 78% of CILLC was owned by Calamos Partners LLC (“CPL”) and John P. Calamos, Sr. CAM was a wholly owned subsidiary of CPL, which was owned by Calamos Family Partners, Inc. (“CFP”), John P. Calamos, Sr. and John S. Koudounis. CFP was owned by members of the Calamos family, including John P. Calamos, Sr.

### SERVICES PROVIDED

We provide discretionary wealth management services, which include asset allocation planning, proprietary investment offerings, external manager selection, and general wealth consulting, to high net worth individuals and organizations. We offer customized asset allocation advice and individualized services such as the following:

- Asset allocation services that take into account investment objectives, risk tolerance, and investment time horizon;
- Oversight of Separately Managed Account (“SMAs”) portfolios managed by sub-advisers, mutual funds, or a combination of these in both taxable and tax-deferred accounts;
- Development and execution of multi-generational investment policies, asset management, and income distribution plans; and
- Management of retirement and deferred compensation plans.

As part of its services, CWM manages client investment assets in either of its two investment programs:

#### **WEALTH ADVISORY PROGRAM**

CWM will manage a portfolio consisting of one or more of the following: individual securities managed by CAL or a non-Calamos designated sub-adviser, mutual funds managed by Calamos, non-Calamos mutual funds, exchange traded funds, limited partnerships or combination of the aforementioned. Any mutual funds utilized in the portfolio will be evaluated based on performance, risk, manager tenure and other factors. Any use of Calamos Funds will be subject to the same screening process as non-Calamos funds. A prospective Wealth Advisory Program client should consider the following:

- The advisory fee charged by CWM for the Wealth Advisory Program shall be higher than that charged for the Calamos Managed Mutual Fund Program (see Item 5 below);
- CWM will charge its advisory fee for ERISA and IRA assets that are allocated to non-Calamos mutual funds; and,
- CAL shall not be engaged without the client's written consent

#### **CALAMOS MANAGED MUTUAL FUND PROGRAM**

CWM will manage a mutual fund portfolio comprised of Calamos open-end mutual funds (the "Calamos Funds"). CWM will only utilize non-Calamos funds when, and if, in CWM's sole discretion, the desired asset class or strategy is not available in an existing Calamos Fund. **See Conflicts of Interest** below. A current or prospective Calamos Managed Mutual Fund Program client should consider the following:

- the advisory fee charged by CWM for the Calamos Managed Mutual Fund Program shall be lower than that charged for the Wealth Advisory Program (see Item 5 below); and,
- CWM will not charge any advisory fee for ERISA or IRA assets that are allocated to Calamos Funds

**Please Note:** In addition to the mutual fund portfolio, clients who, as of August 4, 2015, maintain a sub-advised account with our affiliated sub-adviser, CAL, and other current sub-advisers shall continue to be able to do so under the Calamos Managed Mutual Fund Program.

#### **ADDITIONAL CONSIDERATIONS:**

- Except for the use of affiliated vs. non-Calamos funds and managers, both programs are generally intended to be managed in the same manner;
- There can be no assurance that one program will outperform the other in either up or down markets

**CONFLICTS OF INTEREST** – As indicated above and below, our engagement process can present various conflicts of interest, including, but not limited to, the use of Calamos affiliated investment products (e.g., Calamos Funds, etc.) and the engagement of Calamos affiliated entities (e.g., CAL as sub-adviser, etc.). Given the relationship between us and these affiliated products and entities, we have an incentive to utilize affiliated products and/or entities. In addition, by engaging CAL and/or utilizing affiliated investment products to assist with the management of our client accounts our affiliates will derive an

economic benefit (e.g., management fees, soft dollar benefits, etc.) from our client engagements.

Accordingly, a conflict of interest is presented. A client and/or prospective client can direct us, in writing, not to utilize the services of CAL or purchase any affiliated investment products for the client's account(s).

**Please Note: Retirement Rollovers-Potential for Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If CWM recommends that a client roll over their retirement plan assets into an account to be managed by CWM, such a recommendation creates a conflict of interest if CWM will earn new (or increase its current) compensation as a result of the rollover. When acting in such capacity, CWM serves as a fiduciary under the Employee Retirement Income Security Act (ERISA), or the Internal Revenue Code, or both. **No client is under any obligation to rollover retirement plan assets to an account managed by CWM. CWM's Chief Compliance Officer, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

**Please Note-Use of Mutual and Exchange Traded Funds:** Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that are utilized by CWM independent of engaging CWM as an investment advisor. However, if a prospective client determines to do so, he/she will not receive CWM's initial and ongoing investment advisory services.

**Please Note-Additional Fees:** In addition to CWM's investment advisory fee referenced in Item 5 below, the client will also incur: (a) transaction fees to purchase securities for the client's account (i.e., mutual funds, exchange traded funds, and individual equity and fixed income securities purchased by sub-adviser); and, (b) relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). **ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding these fees. **See also Additional Sub-Adviser Fees** at Item 5 below.

**Portfolio Activity.** CWM has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, CWM will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when CWM determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by CWM will be profitable or equal any specific performance level(s).

## **TRUST SERVICES**

Calamos Wealth Management LLC ("CWM") can provide trust services to its clients through an affiliation

with National Advisors Trust Company, FSB (“NATC”). NATC is a federally chartered trust company regulated by the Office of the Comptroller of the Currency (“OCC”) and is a member of the Federal Deposit Insurance Corporation (FDIC). CWM shall offer trust services through a private label trade name, Calamos Private Trust (“CPT”), a Trust Representative Office of NATC. By law, CWM client assets shall be segregated from the capital assets of NATC and are not subject to potential NATC creditor claims. CWM and NATC are not related entities. The terms and conditions of a client’s engagement of NATC, including the fee payable by the client to NATC, shall be set forth in a separate written agreement between the client and NATC.

If a client determines to utilize NATC’s trust services, NATC shall serve as the administrative trustee and CWM shall serve as the client’s investment adviser. Clients shall be charged **both** an administrative trustee fee payable to NATC (generally, with exceptions, a fee based on a percentage of the market value of the assets in trust, subject to annual fee minimums) **and** an investment advisory fee payable to CWM per CWM’s fee schedule at Item 5 below. There shall be no fee sharing between CWM and NATC. **No client is under any obligation to use NATC’s trust services.** See additional disclosure at Item 5 below

**ANY QUESTIONS:** CWM’s Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above.

#### **INSTITUTIONAL ADVISORY SERVICES**

We provide discretionary institutional advisory services, which include proprietary investment offerings, external manager selection, and general investment consulting to corporations, charitable organizations, family offices, endowments and private foundations. We also offer customized asset allocation advice services such as the following:

- Management of Separately Managed Account (“SMAs”) portfolios comprised of individual securities, other sub-advised accounts, mutual funds, or a combination of these;
- Individualized reporting; and
- Team-based servicing, led by a relationship manager and institutional portfolio specialists.

Individual SMAs are accounts managed to meet each client’s unique needs, with a minimum investment amount of \$1,000,000. Institutional SMAs are accounts managed to meet an institutional client’s needs, with a minimum investment of \$5,000,000. Such minimums may be waived in certain circumstances. These portfolios may include, but are not limited to: common and preferred stock, convertible stocks and bonds, options, warrants, rights, corporate, municipal, government agency, and government bonds, notes, and bills, open-end, closed-end or exchange-traded funds.

As a component of our SMA practice, we also have complete discretionary authority to delegate investment responsibilities to one or more persons or companies (“Sub-Adviser(s)”) pursuant to an agreement between the firm and each such Sub-Adviser (“Sub-Advisory Agreement”). Each Sub-Advisory Agreement provides that the Sub-Adviser, subject to our control and supervision, will have full investment discretion for the account assets assigned to such Sub-Adviser and will make all

determinations with respect to account assets assigned to Sub-Adviser and the purchase and sale of portfolio securities with those assets, and any such steps necessary to implement its decision. We will monitor and evaluate the investment performance of each Sub-Adviser; determine the portion of your assets to be managed by each Sub-Adviser; make changes or additions of Sub-Advisers when deemed appropriate; and coordinate the investment activities of Sub-Advisers. We shall be solely responsible for paying the fees of each Sub-Adviser. **See Conflict of Interest** above regarding the use of Calamos Funds and CAL as a Sub-Adviser, including the ability to direct CWM, in writing, not to utilize the services of CAL or purchase any affiliated investment products for the client's account(s).

### **PREMIER PROGRAM**

We also may perform non-discretionary investment consulting services relative to those specific investment assets and/or accounts (the "Assets") specified in a Premier Program Agreement. We shall, if and when requested by you, review the Assets described in such an agreement and provide advice consistent with your designated investment objectives. All such advice shall be based exclusively upon the information we receive from you. You will maintain absolute discretion as to whether or not to accept any of our investment recommendations and you will be responsible for implementing any such recommendations.

### **TAILORED SERVICES**

During our initial consultations, the Client Relationship Management Team (the "Team") will ask a series of questions about your priorities and concerns. Based upon these consultations, we will then work to create an investment policy statement to serve as a primary point of reference to ensure that your objectives are clearly defined. We remain available to review the policy statement with you on an ongoing basis, modifying it as necessary to accommodate changes to your long-term goals and objectives. Your portfolio can be customized to suit your investment needs and goals. You have the option of imposing reasonable investment restrictions on certain securities, industries, sectors or asset classes by providing us with written instructions when you open your advisory account, or at any time thereafter.

### **MISCELLANEOUS**

**Unaffiliated Private Investment Funds.** CWM may also provide investment advice regarding unaffiliated private investment funds. CWM, on a non-discretionary basis, may recommend that certain qualified clients consider an investment in unaffiliated private investment funds. CWM's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of CWM calculating its investment advisory fee. CWM's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

**Please Note:** Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client



for review and consideration. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

**Please Also Note Valuation:** In the event that CWM references private investment funds owned by the client on any supplemental account reports prepared by CWM, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. If no subsequent valuation post-purchase is provided by the Fund Sponsor, then the valuation shall reflect the initial purchase price (and/or a value as of a previous date), or the current value(s) (either the initial purchase price and/or the most recent valuation provided by the fund sponsor). If the valuation reflects initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be **significantly more or less** than original purchase price. The client's advisory fee shall be based upon reflected fund value(s).

**Conflict of Interest:** CWM may introduce clients to a private fund that is affiliated with its affiliate, Calamos Advisors, thereby creating a **conflict of interest** relative to CWM's introduction of the fund. CWM has an **economic incentive** to introduce the fund to the client (i.e., as result of the introduction, CWM's affiliate will earn, investment advisory fees on assets invested in the fund. Given the **conflict of interest**, CWM advises that clients seek advice from independent professionals (i.e., attorney, CPA, etc.) of their choosing prior to becoming a fund investor. **No client is under any obligation to become a fund investor.**

**Limitation of Financial Planning and Non-Investment Consulting/No Implementation Services.** To the extent requested by the client, CWM provides consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither CWM, nor any of its representatives, serves as an attorney, accountant, or insurance agent, and no portion of CWM's services should be construed as same. To the extent requested by a client, CWM may recommend the services of other professionals for certain non-investment implementation purposes (e.g., attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from CWM.

**Introductions to Other Professionals.** In the event that a client advises CWM that it requires the services of a an unaffiliated professional (i.e. attorney, CPA, insurance agent, investment banker, etc.), and the client correspondingly requests an introduction from CWM, CWM may make an introduction to a professional who is also a CWM client. Unless otherwise expressly indicated, in writing, neither CWM, nor any CWM employee, shall receive any compensation from the professional for the introduction. Nevertheless, because the recommended professional is also a CWM client, a **conflict of interest** arises because by making the introduction, CWM is assisting an individual or entity from whom it derives (and anticipates in the future will derive) compensation as a CWM client. In the event that CWM introduces a client to an unaffiliated professional who is also a CWM client, CWM will disclose

the conflict, in writing, to the client. No client is under any obligation to utilize the services of any such recommended professional.

**Client Obligations.** In performing its services, CWM shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify CWM if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising CWM's previous recommendations and/or services.

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by CWM) will be profitable or equal any specific performance level(s).

### ASSETS UNDER MANAGEMENT

As of December 31, 2017 CWM had approximately \$1.478 billion in discretionary assets under management and \$70 million in non-discretionary assets under management.

## Item 5: Fees and Compensation

### PRIVATE WEALTH ADVISORY SERVICES

#### WEALTH ADVISORY PROGRAM

CWM shall have overall responsibility for the general supervision and management of accounts and shall oversee any sub-advisers. CWM will charge the following fees ("Advisory Fee"),

Up to \$2,000,000 in assets under management	1.25%
Next \$3,000,000 in assets under management	1.00%
Next \$5,000,000 in assets under management	0.75%
Over \$10,000,000 in assets under management	Negotiable

Advisory fees on any client assets invested in Calamos Funds will be waived in this program. Fees will be automatically deducted from your account or you will be invoiced, depending upon your election. For accounts that are billed in advance, upon termination any unearned fees for the quarter shall be refunded by CWM. There may also be additional fees and/or transaction costs for purchases or sales of stock, bonds, options, exchange traded funds and certain mutual funds and those expenses shall be charged to the client's account(s).

#### CALAMOS MANAGED MUTUAL FUND PROGRAM

CWM shall have overall responsibility for the general supervision and management of accounts and shall oversee any Sub-Advisers (Sub-Adviser applies only to CAL) for clients who, as of April 30, 2015, maintain a sub-advised account). CWM will charge the following fees ("Advisory Fee"):

Up to \$2,000,000 in assets under management	0.50%
--	-------

Next \$3,000,000 in assets under management	0.35%
Next \$5,000,000 in assets under management	0.25%
Over \$10,000,000 in assets under management	0.20%

**Please Note:** Certain legacy clients who engaged CWM's services are grandfathered under a prior fee schedule. Fees shall be charged quarterly, and will be billed in advance. Fees will be automatically deducted from your account or you will be invoiced, depending upon your election. For accounts that are billed in advance, upon termination any unearned fees for the quarter shall be refunded by CWM. Certain clients in existence prior to July 1, 2012 will continue to be charged quarterly in arrears. Such fees will be deducted from your account. There may also be additional fees and/or transaction costs for purchases or sales of stocks and bonds and those expenses shall be charged to the client's account(s). Should you invest in the Calamos Funds via an IRA or ERISA account, you will not be assessed an Advisory Fee on any Calamos Funds held in those accounts. You shall also be subject to fund-specific expenses (i.e., management fees and other fund expenses) as described in the fund prospectus.

#### **INSTITUTIONAL ADVISORY SERVICES**

CWM shall have overall responsibility for the general supervision and management of accounts and oversee any Sub-Advisers. The advisory fees associated with these Sub-Advisers will be based on the type of strategies in which the assets are invested and the amount of assets under management and will generally range between 0.30 – 1.00% as specified in the Investment Advisory Agreement. Fees may be lower based upon the individual relationship. These fees are described in Sub-Adviser's ADV Part 2A, a copy of which we shall provide to all clients who maintain an account with a Sub-Adviser. We shall be solely responsible for paying the fees of each Sub-Adviser.

Should you invest in the Calamos Funds via an IRA or ERISA account, you will not be assessed an advisory fee on any Calamos Funds held in those accounts. You are subject to fund-specific expenses as described in the fund prospectus.

**Other Fees or Expenses Relating to Private Wealth Advisory and Institutional Services:** The fees described above do not include charges resulting from trades effected with or through broker-dealers, markups or markdowns by such other broker-dealers, electronic fund and wire transfer fees, custodial fees, and any other charges imposed. Such fees are the responsibility of the client. See Item 12 for a discussion of our brokerage practices. In addition, these fees do not include the underlying fund expenses, for funds not advised by CWM or an affiliate, which the client bears as a shareholder of the funds.

#### **INVESTMENT CONSULTING SERVICES**

CWM may be engaged to provide investment consulting services for an annual flat fee which CWM may waive at its own discretion. See the "Premier Program" above.

**Other Fees or Expenses Relating to Investment Consulting Services:** The annual fee does not include brokerage or transactions costs, nor does it include the underlying fund expenses that you bear as a shareholder in each fund in the account, including assets invested in the Calamos Funds.

## LIMITED NEGOTIABILITY OF ADVISORY FEES

Although we have established the fee structure above, we retain the discretion to negotiate alternative fees on a client-by-client basis. Pre-existing advisory clients are subject to Calamos' minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

The nature of our proposed relationship with you is considered in determining the fee structure for your account. This includes assets to be placed under management, anticipated future additional assets, services provided, related accounts, portfolio style, account composition, and reports.

Your specific annual fee structure is identified in your Investment Advisory Agreement. We may group certain related accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. Discounts may be offered to family members and friends of associated persons of our firm.

Similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Please Note:** Additional Sub-Adviser Fees. The advisory fees charged by the underlying sub-advisers engaged by CWM will generally be included in the Program fee referenced at Item 5 above. However, there may be situations when the sub-advisory fee is either partially or totally excluded from the Program fee. In such situations, all or a portion of the sub-advisory fee shall be separately charged to the client. Because the client will incur an additional fee for such engagements, CWM will obtain the client's written consent prior to allocating any portion of the client's assets to such sub-advisors. **ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding additional sub-advisory fees.

Certain CWM supervised persons and related sales personnel may also be associated with Calamos Financial Services LLC, an affiliated limited purpose broker-dealer. Supervised persons and related sales personnel may be internally compensated for successful marketing or selling activities with respect to shares in the Calamos Funds.

## TRUST SERVICES FEES

As indicated above at Item 4, CWM can provide trust services to its clients through an affiliation with NATC. If a client determines to utilize NATC's trust services, NATC shall serve as the administrative trustee and CWM shall serve as the client's investment adviser. The client shall be charged **both** an administrative trustee fee payable to NATC (generally, with exceptions, a fee based on a percentage of the market value of the assets in trust, subject to annual fee minimums) **and** an investment advisory fee payable to CWM per CWM's above fee schedule. The terms and conditions of a client's engagement of NATC, including the fee payable by the client to NATC, shall be set forth in a separate written agreement between the client and NATC. There shall be no fee sharing between CWM and NATC. **No client is under any obligation to use NATC's trust services.** **ANY QUESTIONS:** CWM's Chief Compliance officer remains available to address them.

## TERMINATION OF THE ADVISORY RELATIONSHIP

Your Investment Advisory Agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. Whether the management fee is billed in advance or arrears, upon termination of your account, any prepaid or unearned fees will be promptly refunded. Immediate payment of unpaid fees will be requested. In calculating your remaining fee or reimbursement, we will pro rate the fee or reimbursement according to the number of days remaining in the billing period.

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

We are not compensated through performance based fees. Performance based fees are fees that can be charged based upon a share of capital gains on or capital appreciation of the assets of a client. As stated in Item 5 above, our fees are based on your account's market value and are not dependent upon whether or not your account gains value.

See Item 10 for a list of affiliates. These affiliates and their employees may invest in products managed by CAL to support the continued growth of our investment products and strategies, including investments to seed new products. Notwithstanding any provision to the contrary in Calamos Code of Ethics, investments made by CAM, CILLC, CPL, Calamos Family Partners, Inc. ("CFP") and the Calamos Family in products managed by CAL are not subject to restrictions of the Code of Ethics regarding short term or speculative trading. As a result, such entities or individuals may hedge corporate or personal investments in such products. However, these hedging transactions are subject to oversight by the Compliance Department and reporting to the CAM Audit Committee. All other provisions of the Calamos Code of Ethics are otherwise applicable.

### Item 7: Types of Clients

We provide wealth management services, including asset allocation, to high net worth individuals, family offices, private foundations, guardians of persons and estates, custodians for individuals, retirement plans for self-employed persons ("Keogh" plans) and institutional plans such as Taft-Hartley plans and those of Corporations. The minimum account sizes for our Wealth Advisory and Institutional Services Programs are typically \$1 million and \$5 million, respectively, as described above. We also provide consulting services to clients, mostly to some with less than our minimum account size or net worth. Such consulting services are provided for a flat fee as described above.

CWM, in its sole discretion, may charge a lesser investment management fee and/or reduce or waive its aggregate account minimum based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

**Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding advisory fees.

## Item 8: Methods of Analysis, Investment Strategies, and Risks of Loss

### INVESTMENT STRATEGIES

For our Wealth Advisory Program clients, we generally start our relationship by meeting with you to determine your investment goals and objectives. We then determine an asset allocation and investment strategy that is designed to meet your goals and objectives. This overall strategy includes investments in strategies managed by affiliated or non-Calamos Sub-Advisers or mutual funds, as well as other individual securities, or any combination thereof.

Generally, each portfolio is managed according to an Investment Policy Statement, which outlines your investment objectives, risk tolerance, and financial situation. The Investment Policy Statement specifies your overall investment goals and is the basis for our investment recommendations to you.

While we generally maintain a long-term investing strategy, your individual needs and situation may influence a short-term strategy. We may recommend Sub-Advisers, mutual funds, or consulting services depending upon your objectives and investable assets.

Our Investment Committee oversees our investment policies and strategies. The Committee reviews the specific investments, investment allocations, and asset class weightings held in our firm's accounts while also considering the current economic and investment environment and asset class performance.

For our Institutional Advisory Services clients, we generally provide consultative services in conjunction with Sub-Advisers' investment management teams. For our larger clients, we will consider their individual circumstances and seek to provide resources to assist in meeting their needs.

### OPTION STRATEGIES

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Our options strategies allow investors to hedge security positions held in a portfolio. Calamos as part of its investment strategy may employ the following option strategies:

- Covered call writing
- Long put options purchases
- Long call option purchases
- Option spreading
- Equity collars

**Covered Call Writing:** Covered call writing is the sale of in-, at-, or out-of-the money call option against a long security position held in a client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

**Long Put Option Purchases:** Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

**Long Call Option Purchases:** Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

**Option Spreading:** Option spreading usually involves the purchase of a call option and the sale of a call option at a higher contract strike price, both having the same expiration month. The purpose of this type of transaction is to allow the holder to be exposed to the general market characteristics of a security without the outlay of capital to own the security, and to offset the cost by selling the call option with a higher contract strike price. In this type of transaction, the spread holder “locks in” a maximum profit, defined as the difference in contract prices reduced by the net cost of implementing the spread. There are many variations of option spreading strategies; please contact the Options Clearing Corporation for a current Options Risk Disclosure Statement that discusses each of these strategies.

**Equity Collar:** A collar combines both a cap and a floor. A cap gives the purchaser of the cap the right (for a premium payment), but not the obligation, to receive the difference in the cost on some amount when a specified index rises above the specified “cap rate.” A floor is the opposite of a cap—it gives the purchaser of the floor the right (for a premium payment), but not the obligation, to receive the difference in interest payable on an amount when a specified index falls below the specified “floor rate.” A collar involving stock is called an “equity collar.” In a collar transaction, the buyer of the collar purchases a cap while selling a floor indexed to the same rate or asset. A zero-cost collar results when the premium earned by selling a floor exactly offsets the cap premium.

## RISK FACTORS

All investment programs carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. Considering risk of loss is a key aspect of our investment approach. Depending on the types of securities you invest in, you may face the following investment risks:

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

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

have greater difficulty in receiving shareholder communications than it would have with a sponsored ADR.

***Asset-Backed and Mortgage-Backed Securities Risk:*** Asset-backed securities represent interests in pools of mortgages, loans, receivables, or other assets. Mortgage-backed securities are a type of asset-backed security that represent direct or indirect participations in, or are collateralized by and payable from, mortgage loans secured by real property. Payment of interest and repayment of principal may be largely dependent upon the cash flows generated by the assets backing the securities and, in certain cases, supported by letters of credit, surety bonds, or other credit enhancements.

Asset-backed securities differ from conventional debt securities because principal is paid back over the life of the security rather than at maturity. A strategy may receive unscheduled prepayments of principal before the security's maturity date due to voluntary prepayments, refinancing, or foreclosures on the underlying mortgage loans, which would result in a loss of anticipated interest and a portion of its principal investment represented by any premium the strategy may have paid. Generally, rising interest rates tend to extend the duration of fixed rate mortgage-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, if a strategy holds mortgage-backed securities, it may exhibit additional volatility. This is known as extension risk. In addition, adjustable and fixed rate mortgage-backed securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of a strategy because the strategy may have to reinvest that money at the lower prevailing interest rates. A strategy's investments in other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as additional risks associated with the nature of the assets and the servicing of those assets. Asset-backed securities may not have the benefit of a security interest in collateral comparable to that of mortgage assets, resulting in additional credit risk. In the event of a default, a strategy may suffer a loss if it cannot sell collateral quickly and receive the amount it is owed. Asset-backed securities also may be subject to increased volatility and may become illiquid and more difficult to value even when there is no default or threat of default due to market conditions impacting asset-backed securities more generally.

Asset-backed security values also may be affected by other factors including changes in interest rates, the availability of information concerning the pool and its structure, the creditworthiness of the servicing agent for the pool, the originator of the loans or receivables, or the entities providing the credit enhancement.

If a strategy purchases asset-backed or mortgage-backed securities that are "subordinated" to other interests in the same pool of assets, the strategy as a holder of those securities may only receive payments after the pool's obligations to other investors have been satisfied. For example, an unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool's ability to make payments of principal or interest to the strategy as a holder of such subordinated securities, reducing the values of those securities or in some cases



rendering them worthless. Certain mortgage-backed securities may include securities backed by pools of mortgage loans made to “subprime” borrowers or borrowers with blemished credit histories; the risk of defaults is generally higher for mortgage pools that include such subprime mortgages. Moreover, instability in the markets for mortgage-backed and asset-backed securities, as well as the perceived financial strength of the issuer and specific restrictions on resale of the securities, may affect the liquidity of such securities, which means that it may be difficult (or impossible) to sell such securities at an advantageous time and price. As a result, the value of such securities may decrease and the strategy may have to hold these securities longer than it would like, forgo other investment opportunities, or incur greater losses on the sale of such securities than under more stable market conditions. Furthermore, instability and illiquidity in the market for lower-rated mortgage-backed and asset-backed securities may affect the overall market for such securities, thereby impacting the liquidity and value of higher-rated securities. This lack of liquidity may affect a strategies’ NAV and total return adversely during the time the strategy holds these securities.

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

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

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

**Credit Risk:** Credit risk is the possibility that an issuer of a fixed-income security will fail to make timely interest and principal payments on its securities or that negative market perceptions of the issuer’s ability to make such payments will cause the price of that security to decline. All fixed-income securities from the highest quality to the very speculative, have some degree of credit risk. A strategy accepts some credit risk as a recognized means to enhance investors’ return. To the extent a strategy invests in government securities, credit risk will be limited.

When evaluating potential investments for a strategy, we independently assesses credit risk and its potential impact on the strategies portfolio. In addition, the credit rating agencies may provide estimates of the credit quality of the securities. The ratings may not take into account every risk that interest or principal will be repaid on a timely basis. Lower credit ratings typically

correspond to higher credit risk and higher credit ratings typically correspond to lower perceived risk. Credit ratings do not provide assurance against default or other loss of money. We may attempt to minimize a strategies' overall credit risk by: (1) primarily investing in fixed-income securities considered at least investment grade at the time of purchase and/or (2) diversifying the strategies' investments across many securities with slightly different risk characteristics and across different economic sectors and geographic regions. If a random credit event should occur, such as a default, a strategy generally would suffer a smaller loss than if the strategy were concentrated in relatively large holdings with highly correlated risks.

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

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

Calamos has established policies and procedures relative to cybersecurity, has worked closely with our third party providers including system's vendors to seek to mitigate the risks of cybersecurity breaches, and has implemented controls to prevent breaches to our systems and infrastructure. While these controls are continually reviewed and enhanced based on our experience to date and technological advancements, the methods and techniques by which unauthorized access is gained is also continually becoming more complex and sophisticated. Therefore, there can be no assurances that the controls Calamos has in place will be adequate in protecting client data from either deliberate or inadvertent cyber breaches. Also, there is a risk that Calamos would not detect a cybersecurity breach.

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

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

Emerging market countries involve risks such as immature economic structures, national policies

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

**Eurozone Risk:** The Eurozone is currently undergoing a collective debt crisis. Greece, Ireland and Portugal have already received one or more “bailouts” from other members of the European Union, and it is unclear how much additional funding they will require. Investor confidence in other EU member states, as well as European banks exposed to risky sovereign debt, has been severely impacted, threatening capital markets throughout the Eurozone. Although the resources of various financial stability mechanisms in the Eurozone continue to be bolstered, many market participants have expressed doubt that the level of funds being committed to such facilities will be sufficient to resolve the crisis. There also appears to be a lack of political consensus in the Eurozone concerning whether and how to restructure sovereign debt, particularly Greek sovereign bonds. The consequences of any sovereign default would likely be severe and wide-reaching, and could include the removal of a member state from the Eurozone, or even the abolition of the Euro. Any such consequences could result in major losses to the funds.

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

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

**Foreign, Emerging Markets Risk:** Investments in these types of securities have considerable risks. Risks associated with investing in foreign securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about the issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in the U.S. markets.

**Foreign (Non-U.S.) Securities Risk:** Risks associated with investing in foreign (non-U.S.) securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic

instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in U.S. markets.

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

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

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

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

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

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

**High-Yield Fixed-Income ("Junk Bond") Securities Risk:** Investments in Junk Bonds entails a greater risk than an investment in higher-rated securities. Although Junk Bonds typically pay higher interest rates than investment-grade bonds, there is a greater likelihood that the company issuing the Junk Bond will default on interest and principal payments. In the event of an issuer's bankruptcy, claims of other creditors may have priority over the claims of Junk Bond holders,

which may leave few or no assets to repay Junk Bond holders. Junk Bonds are also more sensitive to adverse economic changes or individual corporate developments than higher quality bonds. During a period of adverse economic changes or including a period of rising interest rates, companies issuing Junk Bonds may be unable to make principal and interest payments.

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

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

A strategy is subject to the risk that the market value of the bonds in its portfolio will fluctuate because of changes in interest rates, changes in supply and demand for investment securities, or other market factors. Bond prices generally are linked to the prevailing market interest rates. In general, when interest rates rise, bond prices fall; and conversely, when interest rates fall, bond prices rise. The price volatility of a bond also depends on its duration. Duration is a measure that relates the expected price volatility of a bond to changes in interest rates. The duration of a bond may be shorter than or equal to the full maturity of a bond. Generally, the longer the maturity of a bond, the greater is its sensitivity to interest rates. Bonds with longer durations have more risk and will decrease in price as interest rates rise. For example, a bond with a duration of three years will decrease in value by approximately 3% if interest rates increase by 1%. To compensate investors for this higher interest rate risk, bonds with longer maturities generally offer higher yields than bonds with shorter duration. If interest rates increase, the yield of a strategy may increase and the market value of the strategies' securities may decline, adversely affecting the strategies' net asset value ("NAV") and total return. If interest rates decrease, the yield of a strategy may decrease and the market value of the strategies' securities may increase, which may increase the strategies' NAV and total return.

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

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

those portfolios. Any restriction on the availability of credit from lenders could adversely affect the portfolio's performance.

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Item 9: Disciplinary Information**

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

#### **Item 10: Other Financial Industry Activities and Affiliations**

As noted in **Item 4**, we are an investment advisor registered with the SEC and a wholly-owned subsidiary of CILLC. The following is a list of other related parties of the firm:

- **Calamos Advisors LLC** is a registered investment adviser that provides investment advisory services to institutional and individual clients. CAL also serves as investment manager to the Calamos Family of Mutual Funds, the Calamos Closed-End Funds, Undertakings for Collective Investment in Transferable Securities (UCITS) and serves as sub-investment adviser to several registered investment companies.
- **Calamos Asset Management, Inc.** is the sole manager of Calamos Investments LLC.
- **Calamos Family Partners, Inc.** is a private firm in which John P. Calamos, Sr. owns a controlling interest.
- **Calamos Partners LLC** is a Delaware limited liability company owned by Calamos Family Partners, Inc., John P. Calamos, Sr. and John S. Koudounis.
- **Calamos Financial Services LLC** is registered under the Securities Exchange Act of 1934 as amended (the "Exchange Act"), as a limited purpose broker-dealer. Its operations consist primarily of the distribution and sale of the Calamos Family of Mutual Funds.
- **Calamos Global Funds PLC** is an Ireland-domiciled open-end umbrella company organized as a UCITS consisting of sub-funds, which are registered with the Irish Central Bank.
- **Calamos Investments LLP** is registered with the Financial Conduct Authority and maintains certain permissions including distribution, investment advisory and investment management. It is the global distributor of the Calamos Global Funds plc.
- **Calamos Investments LLC** is a holding company. Through its subsidiaries, the firm provides investment management and distribution related services to its clients.
- **Calamos Investment Trust** is a Massachusetts business trust registered under the 1940 Act.
- **Calamos Advisors Trust** is a Massachusetts business trust registered under the 1940 Act.
- **Calamos International Holdings LLC** is a Delaware limited liability company wholly owned by Calamos Investments LLC and is a sister company to Calamos Advisors LLC.



- **Calamos International Holdings II LLC** is a Delaware limited liability company wholly owned by Calamos Investments LLC and is a sister company to Calamos Advisors LLC.
- **Calamos Investments (HK) Limited** is a Hong Kong limited liability company established in anticipation of promoting and distributing Calamos products and strategies in the Southeast Asian markets.
- **Calamos Dynamic Convertible and Income Fund** is a closed-end investment company registered under the 1940 Act.
- **Calamos Convertible Opportunities and Income Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Convertible and High Income Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Strategic Total Return Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Global Dynamic Income Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Global Total Return Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Advisors LLC Master Group Trust -- Global Opportunities Trust** operates for the collective investment of the assets of domestic pension or profit-sharing trusts.
- **Calamos Global Opportunities Fund LP** is a Delaware limited partnership whereby CAL serves as the Investment Manager and General Partner.
- **Calamos Ares Quant Fund I, LP** is a Delaware limited partnership whereby Calamos Advisors serves as the Investment Manager and General Partner.
- **Calamos Opis LLC** is a Delaware limited liability company managing proprietary investments.
- **Calamos Long/Short Equity & Income 2028 Term Trust** is a closed-end company registered under the 1940 Act.

Certain members of our management personnel are registered as representatives of our affiliated broker-dealer, Calamos Financial Services LLC.

## REFERRAL FEES

We periodically enter into agreements to directly compensate another person or firm for client promotion and servicing, commonly referred to as "Referral Agreements." These Referral Agreements are governed by Rule 206(4)-3 under the Advisers Act. The fees paid by the customer to us will not increase as a result of any Referral Agreement. These rates are negotiable depending upon the client's account size and investment strategy, but are normally a percentage of the net fee negotiated between the client and us or a stated rate. Payments under a Referral Agreement continue for a stated

period or until the customer relationship is terminated.

Referral Agreements are more specifically discussed in Item 14.

### **CONFLICTS OF INTEREST**

As indicated above and below, our engagement can present various conflicts of interest, including, but not limited to, the use of Calamos affiliated investment products (e.g., Calamos Funds, etc.) and the engagement of Calamos affiliated entities (e.g., CAL as Sub-Adviser, etc.). Given the relationship between us and these affiliated entities and/or products, we have an incentive to utilize affiliated products and/or entities. In addition, by engaging CAL and/or utilizing affiliated investment products to assist with the management of our client accounts, our affiliates will derive an economic benefit (e.g., management fees, soft dollar benefits, etc.) from our client engagements. Accordingly, a conflict is presented. A client and/or prospective client can direct us, in writing, not to utilize the services of CAL or purchase any affiliated products for the client's accounts.

**ANY QUESTIONS:** Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the use of affiliated entities and/or investment products and the conflict of interest resulting therefrom.

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

### **CODE OF ETHICS & PERSONAL TRADING**

Our firm has adopted a Code of Ethics and Insider Trading Policy (the "Code") which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. The firm and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code, but to the general principles that guide the Code. Our Code includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) and prohibits participation in an initial public offering. Our Code also provides for oversight, enforcement and recordkeeping provisions.

Our Code further includes the firm's policy prohibiting the use of Material Non-Public Information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used to trade or tip others in trading in a personal or professional capacity.

A copy of our Code is available to our advisory clients and prospective clients by contacting us at [cwm@calamos.com](mailto:cwm@calamos.com), or by calling us at 888.857.7604.

### **PARTICIPATING IN CLIENT TRANSACTIONS**

Our affiliates may have investments in certain of the Calamos affiliated products including open-end mutual funds, closed-end funds, exchange traded fund, UCITS, and pooled investment vehicles, though

typically our firm does not. From time to time, an affiliate or related party may, for tax purposes, redeem a portion of its Calamos Fund holdings, reinvesting in shares of the same Calamos Fund shortly thereafter. These transactions are subject to the Calamos Funds' Excessive or Disruptive Trading Monitoring Procedures and will not be consummated if they are disruptive to the management of the Calamos Fund under those procedures. In addition, these transactions may not be made if our firm or the related party, as the case may be, is aware of any Material Non-Public Information with respect to the Calamos Fund.

In determining whether trading is disruptive, consideration is given to the purpose of the trades, the effects on the portfolio or shareholders, and whether the portfolio or shareholders will be made whole for any costs or administrative charges they may incur.

Officers and employees of our firm are encouraged to invest in Calamos affiliated products including open-end mutual funds, closed-end funds, exchange traded fund, UCITS, and pooled investment vehicles, and a significant portion of the assets of our retirement savings plan for officers and employees are invested in the Calamos Funds. The Calamos Funds are sold to the public on a "load" basis involving the payment of a commission to a broker. However, the sales load for Calamos Funds is waived for investment advisory clients of our firm.

In addition to the potential conflict described above, our affiliated adviser serves as an adviser to both long-only accounts and accounts that execute short sales. This means an affiliate could sell short securities in a long-short account while causing long-only accounts to hold the same security long. This type of situation could harm the performance of the long-only accounts for the benefit of accounts that execute short sales, which may include performance-based fee accounts. For example, continually selling a position short may depress the stock price which could harm a long-only account if it holds the same security.

## **Item 12: Brokerage Practices**

### **RESEARCH & SOFT DOLLAR BENEFITS**

We do not receive any soft dollar-related research, products or services from any broker-dealer. However, CAL, our affiliated Sub-Adviser that we can engage to assist us with the management of client accounts, does maintain soft dollar arrangements. A description of those arrangements is set forth at Item 12 of Part 2A of the CAL Form ADV, a copy of which shall be provided to all clients who maintain an account for which CAL serves as a Sub-Adviser.

### **BROKERAGE SELECTION & BEST EXECUTION**

In the event that the client requests that CWM recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct CWM to use a specific broker-dealer/custodian-*please see below*), CWM will do so based on a number of factors described below. Prior to engaging CWM to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with CWM setting forth the terms and conditions under which CWM shall manage the client's assets, and a separate custodial/clearing agreement with the designated account custodian.

Factors that CWM considers in recommending a broker-dealer/custodian to clients include historical relationship with CWM, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by CWM's clients shall comply with CWM's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where CWM determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although CWM will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, CWM's investment management fee. CWM's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

**Please Note:** In those situations, when CAL serves in a sub-advisory capacity for CWM client accounts, equities and options for those CWM client accounts will be traded directly at the recommended broker-dealer subsequent to trades for the Calamos Funds and institutional clients. CWM believes that transactions effected through the recommended broker-dealer provide CWM's clients with best execution. However, there can be no assurance that any specific transaction effected through the recommended broker-dealer will receive the most favorable price execution. **ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address them.

#### **Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, CWM may receive from a broker-dealer/custodian, investment manager, platform or fund sponsor without cost (and/or at a discount) support services and/or products, certain of which assist CWM to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by CWM may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by CWM in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist CWM in managing and administering client accounts. Others do not directly provide such assistance, but rather assist CWM to manage and further develop its business enterprise.

CWM's clients do not pay more for investment transactions effected and/or assets maintained at the recommended broker-dealer/custodian, as a result of these arrangements. There is no corresponding commitment made by CWM to the recommended broker-dealer/custodian or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement. **ANY QUESTIONS:** CWM's Chief Compliance

Officer remains available to address any questions regarding the above arrangements and the corresponding conflict of interest presented by such arrangements.

**Directed Brokerage:** CWM does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and CWM will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by CWM. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

**Please Note:** In the event that the client directs CWM to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through CWM. Higher transaction costs adversely impact account performance.

**Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Tradeaway/Prime Brokerage arrangements.** Relative to discretionary investment management services that may be provided by a Sub-Adviser, including CAL, when reasonably believed to be beneficial to the client, transactions may be effected through broker-dealers other than the account custodian's affiliated broker-dealer, in which event, the client generally will incur both the fee (commission, mark-up/markdown) charged by the executing broker-dealer and a separate "tradeaway" and/or prime broker fee charged by the account custodian. Higher transaction costs can adversely impact account performance. **ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding tradeaway fees/prime brokerage arrangements.

Certain broker-dealers that CAL may use to execute client trades are also clients of our firm and/or refer clients to us, which creates a conflict of interest. We have controls in place for monitoring execution in our client's portfolio transactions, including reviewing trades for best execution.

Transactions for each client account generally will be effected independently, unless the CWM decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among CWM's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given

day. CWM shall not receive any additional compensation or remuneration as a result of such aggregation.

**ANY QUESTIONS:** CWM's Chief Compliance Officer remains available to address any questions regarding the above arrangements and any corresponding *conflict of interest* any such arrangement may create.

### **Item 13: Review of Accounts**

The frequency of reviews of accounts, as well as the nature of the review, can vary widely among the accounts we advise. Considerations such as investment objectives and circumstances, complexity of the relationship, and size and structure of the portfolio are all triggering events.

For our clients receiving discretionary advisory services, we monitor their portfolios as a part of an ongoing process, with regular account reviews occurring no less frequently than annually. During the annual review, we look at their investment objectives and guidelines, their portfolio, and our perspectives on the current investment environment. Reviews provide an opportunity for an open dialogue between clients and our relationship team, enabling us to maintain a current understanding of our clients' needs.

For those clients receiving non-discretionary services, reviews are conducted "as needed". Such reviews are conducted by a Team member. All advisory clients are encouraged to discuss their needs, goals, and objectives with us and to keep us informed of any changes to the Investment Policy Statement.

In addition, our Calamos Managed Mutual Fund, Wealth Advisory Program, and Institutional Advisory Services clients receive detailed quarterly performance reports from us and monthly statements from the account custodian. The quarterly reports generally contain a list of assets, investment results, and statistical data related to the client's account. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports that we provide. The information in our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 14: Client Referrals and Other Compensation**

**Referral Fees.** If a client is introduced to CWM by either an unaffiliated or an affiliated solicitor, CWM may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from CWM's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to CWM by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of CWM's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between CWM and the solicitor, including the compensation to be received by solicitor from CWM.

We may pay solicitors up to twenty-five percent (25%) of CWM's advisory fee. Referral fees from CWM shall be paid solely from CWM's standard investment management fee, and shall not result in any

additional charge to clients.

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

Any such arrangements will comply with Rule 206(4)-3 under the Investment Advisers Act of 1940.

**Participation in Fidelity Wealth Advisor Solutions.** The firm participates in the Fidelity Wealth Advisor Solutions Program (the "WAS Program"), through which we receive referrals from Strategic Advisers, Inc. ("SAI"), a registered investment adviser and subsidiary of FMR LLC, the parent company of Fidelity Investments. We are independent and not affiliated with SAI or FMR LLC. SAI does not supervise or control us, and SAI has no responsibility or oversight for our provision of investment management or other advisory services.

Under the WAS Program, SAI acts as a solicitor for us, and we pay referral fees to SAI for each referral received based on our assets under management attributable to each client referred by SAI or members of each client's household. The WAS Program is designed to help investors find an independent investment advisor, and any referral from SAI to us does not constitute a recommendation or endorsement by SAI of our particular investment management services or strategies. More specifically, we pay the following amounts to SAI for referrals: for referrals made prior to April 1, 2017, an annual percentage of 0.20% of any and all assets in client accounts; for referrals made after April 1, 2017, the sum of (i) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as "fixed income" assets by SAI and (ii) an annual percentage of 0.25% of all other assets held in client accounts. For referrals made prior to April 1, 2017, these fees are payable for a maximum of seven years. Fees with respect to referrals made after that date are not subject to the seven year limitation. In addition, we have agreed to pay SAI a minimum annual fee amount in connection with its participation in the WAS Program. These referral fees are paid by us and not the client.

To receive referrals from the WAS Program, we must meet certain minimum participation criteria, but we may have been selected for participation in the WAS Program as a result of its other business relationships with SAI and its affiliates, including Fidelity Brokerage Services, LLC ("FBS"). As a result of our participation in the WAS Program, we may have a potential conflict of interest with respect to our decision to use certain affiliates of SAI, including FBS, for execution, custody and clearing for certain client accounts, and we may have a potential incentive to suggest the use of FBS and its affiliates to our advisory clients, whether or not those clients were referred to us as part of the WAS Program. Under an agreement with SAI, we have agreed that we will not charge clients more than the standard range of advisory fees disclosed in our Form ADV Part 2A Brochure to cover solicitation fees paid to SAI as part of the WAS Program. Pursuant to these arrangements, we have agreed not to solicit clients to transfer their

brokerage accounts from affiliates of SAI or establish brokerage accounts at other custodians for referred clients other than when our fiduciary duties would so require, and we have agreed to pay SAI a one-time fee equal to 0.75% of the assets in a client account that is transferred from SAI's affiliates to another custodian; therefore, we may have an incentive to suggest that referred clients and their household members maintain custody of their accounts with affiliates of SAI. However, participation in the WAS Program does not limit our duty to select brokers on the basis of best execution.

**Please also see** disclosure at Item 12 above regarding Research and Additional Benefits.

### **Item 15: Custody**

We do not maintain custody of any client funds or securities. Generally, our clients have unaffiliated qualified custodians.

As part of the billing process described in Item 5: Fees and Compensation, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

**PLEASE NOTE:** To the extent that CWM provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by CWM with the account statements received from the account custodian. **PLEASE ALSO NOTE:** The account custodian does not verify the accuracy of CWM's advisory fee calculation.

### **Item 16: Investment Discretion**

Whether an account is discretionary or non-discretionary, we enter into an advisory agreement with our clients which outline our responsibilities. We will endeavor to follow reasonable directions, investment guidelines and limitations. This discretionary authority will remain in full force and effect until we receive written notice from a client of its termination or until we receive actual notice of a client's death or adjudged incompetency. Clients should understand that the purchases and sales of the securities, including those resulting from reallocation or rebalancing of your account, may be taxable events. Please also refer to Item 4.

### **Item 17: Voting Client Securities**

With the exception of sub-advised accounts, unless otherwise agreed to, in writing, we will not vote proxies for our clients, including proxies issued by affiliated or non-Calamos mutual funds. For clients



whose assets are allocated to sub-advisers (including our affiliated sub-adviser, Calamos Advisors LLC), the sub-adviser will generally vote proxies on the client's behalf (exception: Calamos Advisors LLC shall not vote any proxies for any Calamos affiliated mutual funds that comprise its sub-advised account). Rather, such proxies shall be voted by an unaffiliated third party proxy voting service engaged by us for such purpose, which proxy voting provider shall make its proxy voting decision independent of us and Calamos Advisors LLC. However, given that we shall compensate the proxy voting provider for its services, a conflict arises. Therefore, any client can direct us, in writing, to advise the proxy voting provider not to vote the proxies pertaining to his/her/its account). In the specific event that the client does request us to vote proxies, in writing, we shall delegate such proxy voting responsibility to Calamos Advisors LLC, except the above referenced unaffiliated third party proxy voting service shall vote the proxies of any Calamos affiliated mutual funds. Additionally, we will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

#### **Item 18: Financial Information**

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have never been the subject of a bankruptcy proceeding.

**ANY QUESTIONS:** Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding any issues referenced on this Part 2A, including, but not limited to, conflicts of interest.