

**GS Gamma Advisors, LLC
330 Madison Avenue
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New York, NY 10017
March 30, 2020**

This brochure provides information about the qualification and business practices of GS Gamma Advisors, LLC (“GS Gamma”). If you have any questions about the content of this brochure, please contact us at (212) 381-4169 or arik.hirschfeld@guggenheimpartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

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

Any reference to GS Gamma being a “registered investment adviser” does not imply a certain level of skill or training.

Item 2 – Material Changes

GS Gamma’s Form ADV Part 2A (“Brochure”) is available to our existing and prospective clients of GS Gamma (“Clients”) 24 hours a day through the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. Additionally, we will annually and within 120 days of the end of our fiscal year, provide Clients with either: (1) a copy of our Brochure that includes or is accompanied by a summary of material changes; or (2) a summary of material changes that includes an offer to provide a copy of the current Brochure. Our Brochure may also be requested by contacting Arik Hirschfeld, Chief Compliance Officer (“CCO”) at arik.hirschfeld@guggenheimpartners.com.

We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

Summary of Material Changes

GS Gamma’s Brochure dated March 30, 2020 replaces the previous version dated March 29, 2019. GS Gamma’s Brochure has been updated with the following changes, among others, none of which we believe to be material, since the annual update to our Brochure filed on March 29, 2019. These changes reflect clarifications and certain updates.

1. We have updated Item 4 to reflect discretionary assets under management as of December 31, 2019.
2. We have updated disclosure in Item 5 regarding fees and expenses and GS Gamma entering into side letters or other similar agreements providing Investors with certain favorable terms, including with respect to lock-up periods and fees.

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Item 4 – Advisory Business

GS Gamma Advisors, LLC (“GS Gamma”) was established in 2005. GS Gamma is co-owned by George Sykes and Guggenheim Partners Investment Management Holdings, LLC (“GPIMH”), a majority-owned indirect subsidiary of Guggenheim Partners, LLC. GPIMH is controlled by its managing member, GMI GPIMH, LLC, which is wholly owned by Guggenheim Manager, Inc. Guggenheim Manager, Inc. is a wholly-owned subsidiary of Guggenheim Capital, LLC. GPIMH is directly majority owned by GI Holdco, LLC, which is wholly owned by GI Holdco II, LLC, which is wholly owned by Guggenheim Partners, LLC. Guggenheim Partners, LLC is a wholly-owned subsidiary of Guggenheim Capital, LLC. Guggenheim Capital is owned in part by Sage Assets, Inc. Sage Assets, Inc. is wholly-owned by Sammons Equity Alliance, Inc., which is wholly owned by Consolidated Investment Services, Inc., which is wholly-owned by Sammons Enterprises, Inc., which is owned by Sammons Enterprises, Inc. Employee Stock Ownership Trust, in which Greatbanc Trust Company is its Trustee.

GS Gamma is an investment adviser to private investment funds. The funds are organized as a master-feeder structure and conduct the same investment strategy. GS Gamma Investments, LLC, a Delaware limited liability company (the “Onshore Feeder”) and GS Gamma Investments, Ltd., a Cayman Islands exempted company (the “Offshore Feeder,” and, together with the Onshore Feeder, the “Feeder Funds”) are offered to investors who are qualified purchasers and accredited investors or non-U.S. persons, including high net worth individuals, banks, thrift institutions, trusts, estates, charitable organizations, pension funds, sovereign wealth funds, endowments and other corporations.

Investors invest through the Onshore Feeder or the Offshore Feeder (the “Investors”), and each Feeder Fund contributes its respective assets to GS Gamma Master Fund, Ltd. (the “Master Fund” and, together with the Feeder Funds, the “Funds” or the “Clients”). GS Gamma conducts the trading activities for both Feeder Funds through the Master Fund. Currently, GS Gamma’s only Clients are the Funds.

Each Feeder Fund’s investment objective, strategies, and any applicable investment restrictions are generally described in such Feeder Fund’s offering documents and may be changed in accordance with such Feeder Fund’s offering and organizational documents and as permitted by law.

GS Gamma Management, LLC, (“GS Gamma Management”), a Delaware limited liability company and an affiliate of GS Gamma, acts as the manager to the Onshore Feeder and the sponsor to the Offshore Feeder and the Master Fund.

GS Gamma does not participate in wrap fee programs.

As of *December 31, 2019*, GS Gamma managed \$167.8 million of regulatory assets under management on a discretionary basis.

Item 5 – Fees and Compensation

GS Gamma Management receives a management fee based upon a percentage of assets under management (the “Management Fee”). The Management Fee is deducted quarterly in arrears. GS Gamma Management may in its discretion reduce any withdrawal or redemption proceeds payable to a withdrawing or redeeming Investor in the amount of the expense to the relevant Fund of liquidating positions to fund the payment of such proceeds and refund such amount to the Fund.

In addition to the Management Fee, on the last business day of each calendar year, each Investor is subject to a performance-based allocation to GS Gamma based upon a percentage of any net new profits

then attributable to such Investor investment in a Feeder Fund (“Incentive Allocation”). Please see **Item 6 – Performance-based Fees and Side-by-Side Management** below for additional information.

Costs and expenses relating to each Feeder Fund’s organization and initial offering include, but are not limited to, costs and expenses incurred by GS Gamma in connection with the formation and structuring of the Feeder Fund and the Master Fund and the initial offering of Feeder Fund interests/shares, prior to the commencement of the Feeder Fund’s investment strategy. Such costs and expenses typically are paid to professional service providers, including attorneys, auditors, accountants, administrators and other service providers, during the initial formation of a Feeder Fund.

Expenses borne by the Feeder Funds are typically set forth in their respective offering documents, and generally include payment for the costs, expenses and liabilities relating to the Feeder Funds ongoing operating and offering expenses, as well as their *pro rata* shares of the ongoing operating expenses of the Master Fund, including but not limited to: insurance and custody costs and expenses; accounting, audit, tax preparation, and legal fees; fees of any administrator or valuation agent; expenses related to the ongoing offering of the Feeder Funds, including printing and mailing costs; regulatory and governmental filing fees; transaction expenses, including brokerage commissions, bid-ask spreads, dealer mark-ups, interest expenses and all other expenses related to investment activities; and tax (imposed on the Feeder Funds or Master Fund as determined by GS Gamma), litigation, and extraordinary expenses (if any).

In determining the amount of such ongoing operating and offering expenses, GS Gamma has calculated and may in the future calculate expenses of a regular or recurring nature for any given period on an estimated basis in advance, and has accrued and may in the future accrue the same in such manner as GS Gamma deems appropriate over such period. The Funds do not pay GS Gamma’s overhead costs, such as rent, salaries, bonuses, research or travel expenses, and normal software and technology expenses. Those costs are borne by GS Gamma.

Please see **Item 12 - Brokerage Practices** below for additional information regarding brokerage fees.

GS Gamma and its supervised persons¹ do not accept compensation for the sale of any Feeder Fund’s interests.

In its discretion, GS Gamma Management has reduced or waived, and in the future may reduce or waive the Management Fee and/or the Incentive Allocation with respect to an Investor.

GS Gamma has, and from time to time will, enter into an agreement with an Investor, without the approval of any other Investor, that provides for terms that are different from those described in the pertinent offering documents (“side letters”). As a general matter, GS Gamma owes certain fiduciary duties to the Funds, which require that GS Gamma act in good faith and in what GS Gamma considers to be in the best interests of the Funds. In doing so, GS Gamma also will endeavor to act in a manner that ensures the fair treatment of the Fund’s Investors. In exercising discretion in causing the Fund to enter into a side letter, GS Gamma will disclose any material terms of such side letter (*i.e.*, any terms or combination of terms that could disadvantage another Investor) to other Investors as appropriate. Otherwise, absent an agreement to the contrary, GS Gamma has and, in the future may, but generally is not required to, disclose the existence or terms of any such side letters to any other Investor. The types of Investors who receive preferential treatment, or have the right to receive preferential treatment, include, but are not limited to: cornerstone or seed Investors or Investors of other strategic importance to the Fund;

¹ Supervised person means an officer, partner or director (or people performing similar functions or occupying a similar role), or employees, or others who provide investment advice on behalf of GS Gamma.

Investors complying with specific legal, tax and/or regulatory requirements; and affiliates of GS Gamma. Rights or terms that a side letter could alter include, but are not limited to: (i) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of an Investor; (ii) preferential fee terms; (iii) preferential terms relating to liquidity and/or transfer; (iv) enhanced transparency and reporting; and (v) preferential lock-up rights. Such side letters or similar agreements, however, will not combine preferential information rights with preferential redemption rights to the detriment of other Investors.

While it is GS Gamma's policy generally not to enter into, or cause a Fund to enter into, side letters or similar agreements granting an Investor preferred liquidity, transparency or fees, GS Gamma has entered into such supplementary agreements with one or more Investors that have provided such Investors favorable terms, including favorable terms with respect to fees and the lock-up period.

Item 6 – Performance-based Fees and Side-by-Side Management

As noted above, each Investor is subject to a performance-based allocation to GS Gamma based upon a percentage of any net new profits then attributable to such Investor's investment in the relevant Feeder Fund. GS Gamma does not manage any client accounts that have a different fee structure, such as client accounts that pay only an asset-based fee. Performance-based fee arrangements are structured in accordance with the requirements of Rule 205-3 under the Investment Advisers Act of 1940, as amended ("Advisers Act"), to the extent Rule 205-3 applies.

The Incentive Allocation received by GS Gamma creates a conflict between GS Gamma's interest in earning a profit in the short term with the long-term interests of the Funds and the Investors. GS Gamma has an incentive to invest the Master Fund's assets in investments that are riskier or more speculative than would be the case if GS Gamma were compensated based only on a flat percentage of capital because these investments allow GS Gamma to collect a larger Incentive Allocation.

GS Gamma does not presently engage in side-by-side management activities, but has the ability to advise additional Funds and client accounts, other than those identified in ***Item 4 – Advisory Business***. GS Gamma will implement and adopt relevant policies and procedures to address conflicts of interest related to side-by-side management activities, including allocation and aggregation policies, upon commencing additional advisory activities.

Item 7 – Types of Clients

As previously noted under ***Item 4 – Advisory Business***, the Funds are private investment funds and are GS Gamma's only Clients. The Feeder Funds are offered to investors who are qualified purchasers and accredited investors or non-U.S. persons, including high net worth individuals, banks, thrift institutions, trusts, estates, charitable organizations, pension funds, sovereign wealth funds, endowments and other corporations.

The minimum initial investment into a Feeder Fund is \$3,000,000, and the minimum additional investment increment is \$1,000,000. GS Gamma or an affiliate has, and in the future may, in its discretion, accept smaller investments.

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

Investment Strategies and Analysis

GS Gamma uses a variety of hedged, spread, and directional strategies (focusing on both relative and absolute interest-rate movements) to trade mortgage-backed securities (“MBS”), which are typically of the highest credit quality available, on behalf of the Master Fund. The Master Fund’s trading takes place principally in the over-the-counter (“OTC”) institutional markets, which are normally liquid, but which may become illiquid in certain circumstances. Among the strategies GS Gamma uses are:

- **Relative Value:** GS Gamma employs relative value strategies implemented in the MBS markets. The success of these strategies is dependent on GS Gamma’s ability to exploit relative mispricings among interrelated instruments.
- **Prepayments:** This strategy seeks to invest in mortgage pools that are anticipated to have favorable prepayment characteristics going forward, but that may be misvalued or underpriced by other market participants.
- **Creation Analysis:** This strategy seeks to purchase MBS at a sufficient discount to creation value so that they have a strong likelihood of being profitable.
- **OAS:** This strategy seeks to buy an MBS that has an option-adjusted spread (“OAS”) favorable to other bonds in the sector.
- **Maturity Roll Down:** This strategy seeks to take advantage of the yield spread that exists between securities with two different, but related, maturities, particularly in markets with stable or declining yields.
- **Yield-Curve Spread:** This strategy seeks to capture gains from distortions between: (i) two close maturities (*i.e.*, two years versus three years); (ii) three related maturities (*i.e.*, seven years versus five years and ten years); or (iii) over a longer time frame, two distant maturities (*i.e.*, two years versus thirty years).
- **Directional Long or Short:** A long directional strategy establishes outright positions in anticipation of an appreciation in prices (decline in yield), adjusted for the underlying repurchase agreement rate, which is the cost of financing the position. A short directional strategy establishes outright positions in anticipation of a decline in prices (increase in yield), adjusted for the underlying reverse repurchase agreement rate, which is the cost of the borrowed securities.
- **Technical:** This strategy takes positions based on the pattern and volume of transactions at various price levels.
- **Fundamental:** This strategy relies on information and expectations relating to such factors as pending economic news, U.S. Treasury and other relevant fixed-income supply data, technical factors, investor demand and the judgment of GS Gamma as to whether MBS prices reflect or are in disequilibrium with true value.

Among other important factors GS Gamma takes into consideration when investing in MBS are changes in prepayment rates. A prepayment is an unscheduled repayment of principal by a homeowner. In addition to monitoring certain fundamental, cyclical and historical determinants of prepayments, GS Gamma relies on various in-house analytical tools to forecast prepayment levels in analyzing MBS.

Risk of Loss

General Risk. Investing in securities involves a risk of loss that Investors should be prepared to bear. An investment in a Feeder Fund is speculative, entails a high degree of risk and is suitable only for investors who can afford to bear a loss of the entire amount invested.

Low Interest Rate Environment. In a low interest-rate environment, the profitability of certain fixed-income strategies may be materially diminished. A volatile interest rate environment may result in the Fund holding assets that are losing value.

Rising Interest Rates. The Funds are subject to risk associated with rising interest rates, which could negatively impact the value of a Fund's portfolio.

Relative Value Trading Risks. Although relative value positions are considered to have a lower risk profile than directional trades, as the former attempt to exploit price differentials not overall price movements, relative value strategies are by no means without risk. Mispricings, even if correctly identified, may not converge within the time frame within which the Master Fund maintains its positions. Even true "riskless" arbitrage—which is rare—can result in significant losses if the arbitrage is not able to be sustained (due, for example, to credit limits being hit or margin calls) until expiration, and few, if any, of the positions GS Gamma takes on behalf of the Master Fund constitute true arbitrage, as opposed to relative value trades. Relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of GS Gamma's or third-party valuation models. Market disruptions may also force the premature close out of one or more positions. Such disruptions have in the past resulted in substantial losses for funds employing relative value strategies.

A major component of relative value trading involves spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss may occur. Such positions do, however, entail a substantial risk that the price differential could change unfavorably resulting in losses. In addition, changes in the shape of the yield curve can cause significant changes in the profitability of hedging or spreading operations.

MBS Prepayment Risk. The frequency at which prepayments (including voluntary prepayments by the obligors and liquidations due to default and foreclosures) occur on loans underlying MBS is affected by a variety of factors including the prevailing level of interest rates as well as economic, demographic, tax, social, legal and other factors. Generally, mortgage obligors tend to prepay their mortgages when prevailing mortgage rates fall below the interest rates on their mortgage loans.

In general, "premium" securities (securities whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and "discount" securities (securities whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments. Since many MBS are discount securities when interest rates are high, and are premium securities when interest rates are low, these MBS may be adversely affected by changes in prepayments in any interest rate environment.

The adverse effects of prepayments may impact investments in two ways. First, particular investments may experience outright losses, as in the case of an interest-only security in an environment of faster actual or anticipated prepayments. Second, particular investments may underperform relative to hedges that GS Gamma may have constructed for these investments, resulting in losses. In particular,

prepayments (at par) may limit the potential upside of many MBS to their principal or par amounts, whereas their corresponding hedges often have the potential for unlimited loss.

Directional Trading. Certain of the positions are designed to profit from forecasting absolute price movements. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

Model Risk. Certain of GS Gamma's strategies require the use of quantitative valuation models that it has developed over time, as well as valuation models developed by third parties and made available to GS Gamma. As market dynamics shift over time (*e.g.*, due to changed market conditions and participants), a previously highly successful model often becomes outdated or inaccurate, perhaps without GS Gamma recognizing that fact before substantial losses are incurred. Many market participants have experienced substantial losses due to reliance on such models. There can be no assurance that GS Gamma will be successful in continuing to develop and maintain effective quantitative models, and the necessity of continuously updating these models demonstrates that GS Gamma's past successful results may not be representative of future performance.

MBS Volatility and Liquidity. MBS prices and the prices of their derivatives can be highly volatile. Price movements for such securities are influenced by, among other things, changing supply and demand relationships; government, trade, fiscal and economic events; changes in interest rates; and changes in the rate at which the underlying homeowners refinance or default on their mortgages. The Master Fund's volatility is exacerbated by the concentration of its portfolio in the MBS markets.

MBS are generally traded among broker-dealers and other institutional investors in over-the-counter markets. GS Gamma may recommend securities which are not actively and widely traded or which are not registered under U.S. federal and state securities laws and are therefore subject to restrictions on resale. Consequently, it may be relatively difficult to dispose of investments rapidly and at favorable prices in connection with redemption requests, adverse market developments or other factors. There is no assurance that a liquid secondary market will exist for MBS and related derivatives purchased or sold, and a position may have to be maintained indefinitely, or until exercise or expiration, which could result in losses. In addition, the over-the-counter markets in which MBS trades have been, and may in the future become, subject to periods of illiquidity.

Valuation and Illiquid Positions. Securities that GS Gamma purchases on behalf of the Master Fund are generally priced on a monthly basis using a minimum of three (3) dealer marks. However, many of the MBS may not be readily marketable and may be deemed illiquid. In some instances, there may be only one counterparty active in a particular security at a given time. In the absence of an established trading market, GS Gamma will value such investments as is reasonable and appropriate. For example, if a fixed income security is priced by a third-party pricing service, GS Gamma would rely on the pricing service to assign a value to the security. For any remaining positions that are neither priced by a pricing service nor a broker/dealer, GS Gamma ordinarily prices those holdings at cost on a daily basis. GS Gamma's valuation of these positions may prove to be materially inaccurate and may result in an inflated Management Fee paid to GS Gamma Management and Incentive Allocation paid to GS Gamma and capital withdrawal proceeds paid out to withdrawing Investors. Investors are inherently exposed to the risk of revaluation of the assets.

Residential Mortgage-Backed Securities ("RMBS"). Holders of RMBS bear various risks, including credit, market, interest rate, structural and legal risks. RMBS represent interests in pools of residential

mortgage loans secured by one to four family residential mortgage loans. Such loans may be prepaid at any time. Residential mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity, although such loans may be securitized by government agencies and such securities issued may be guaranteed. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the geographic area where the related mortgaged property is located, the terms of the loan, the borrower's "equity" in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited. Limited liquidity in the secondary market for MBS has had a severe adverse effect on the market value of MBS, especially RMBS backed by subprime mortgages. Limited liquidity in the secondary market may have a severe adverse effect on the market value of MBS, especially RMBS backed by subprime mortgages, those securities that are more sensitive to prepayment, credit or interest-rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors.

High or Increasing Loan-to-Value Ratio May Impact RMBS Loss and Delinquency Rates More than Loans Originated Under More Traditional Standards. The underwriting guidelines pursuant to which the RMBS in certain Collateralized Debt Obligations ("CDO") were originated do not prohibit a borrower from obtaining, at the time of origination of the first-lien mortgage loan, additional financing which is subordinate to that first-lien mortgage loan. High loan-to-value ratios may make it more difficult for a borrower to make payments under the related mortgage loans. Additionally, values of mortgaged properties may decrease from the time that the mortgage loan is originated, resulting in a higher loan-to-value ratio. A decrease in the value of the mortgaged property may limit the borrower's ability to refinance the mortgage loan which in turn, may lead to a default on the mortgage loan. In either case, the high loan-to-value ratios may have a greater effect on the delinquency, foreclosure, bankruptcy and loss experience of the mortgage loans in the mortgage pool than on mortgage loans originated in a more traditional manner. GS Gamma cannot be certain that the values of the related mortgaged properties have remained or will remain at the levels in effect on the dates of origination of the related mortgage loans.

Stripped MBS. Stripped MBS are created by segregating the cash flows from underlying mortgage loans or mortgage securities to create two or more new financial instruments, each with a specified percentage of the underlying mortgage loan's or security's principal or interest payments. Mortgage securities may be partially stripped so that each investor class receives some interest and some principal. When securities are completely stripped, however, all of the interest is distributed to holders of one type of security, known as an interest-only security ("IO"), and all of the principal is distributed to holders of another type of security known as a principal-only security ("PO"). Strips can be created in a pass-through structure or as tranches of a collateralized mortgage obligation (a "CMO"). The yields to maturity on IOs and POs are very sensitive to the rate of principal payments (including prepayments) on the related underlying mortgage assets. If the underlying mortgage assets experience greater than anticipated prepayments of principal, an investor may not fully recoup its initial investment in IOs. Potential increases in interest rates could result in unanticipated prepayments resulting in losses to holders of IOs. Conversely, if the underlying mortgage assets experience less than anticipated prepayments of principal, the yield on POs could be materially and adversely affected.

CMOs. Among other instruments, GS Gamma may recommend structured notes, variable MBS, including adjustable-rate mortgage securities, which are backed by mortgages with variable rates, and certain classes of CMO derivatives, the rate of interest payable under which varies with a designated rate or index. The value of these investments is closely tied to the absolute levels of such rates or indices, or the market's perception of anticipated changes in those rates or indices. This introduces additional risk

factors related to the movements in specific indices or interest rates that may be difficult or impossible to hedge, and that also interact in a complex fashion with prepayment risks.

The CMO markets were developed specifically to reallocate the various risks inherent in MBS across various bond classes. For example, CMO “companion” classes typically experience much greater average life variability than other CMO classes. As described under “Stripped MBS” above, IOs experience greater yield variability relative to changes in prepayments. “Inverse floaters” experience greater variability of returns relative to changes in interest rates. To the extent that GS Gamma concentrates investments in these or other “derivative” securities, the prepayment risks, interest rate risks and hedging risks associated with such securities will be severely magnified.

Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act. During and following the financial crises of 2008-2009, the global financial markets went through pervasive and fundamental disruptions that led to extensive and unprecedented governmental intervention. Such intervention was in certain cases implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition — as one would expect given the complexities of the financial markets and the limited time frame within which governments felt compelled to take action — these interventions were typically unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as to previously successful investment strategies.

Policies and regulations intrinsic to the valuation of Agency MBS securities are determined by various Executive Branch and independent agencies, as well as in part by state and local governments. Potential or actual policy changes can have significant impacts on securities held by the Master Fund. While these agencies typically change regulations slowly and after lengthy public input, they can also change them with little to no notice or input. The Federal Housing Finance Agency and Federal Housing Administration, an agency within the Department of Housing and Urban Development, derive their authority from US legislation and, consequently, Congress could pass and the President could sign into law a bill that could significantly change the US mortgage finance system. Similarly, the executive branch of the federal government, independent federal agencies, and state and local governments have enormous discretion in shaping the rules of mortgage finance and future policies could be adopted that adversely impact current or future MBS holdings.

In the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted, investors may suffer substantial losses. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Master Fund from its banks, dealers and other counterparties is typically reduced in disrupted markets and may result in substantial losses to the Master Fund. Market disruptions can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

A number of countries have at times imposed bans on short-selling, typically on an “emergency” basis, making it impossible for numerous market participants either to continue to implement their strategies or to control the risk of their open positions. Any ongoing regulatory limitations on short-selling could materially adversely affect GS Gamma’s ability to implement its strategies.

It is difficult to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the GS Gamma’s strategies.

Revised Regulatory Interpretations Could Make Certain Strategies Obsolete. In addition to proposed and actual regulatory and accounting changes, there have been certain well publicized incidents of regulators unexpectedly taking positions which prohibited strategies which had been implemented in a variety of formats for many years. In the current unsettled regulatory environment, it is impossible to predict if future regulatory developments might adversely affect GS Gamma's strategies.

Debt Securities. Debt securities may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. In addition to the sensitivity of debt securities to overall interest-rate movements, debt securities involve a fundamental credit risk based on the issuer's ability to make principal and interest payments on the debt it issues. The Master Fund's investments in debt securities may experience substantial losses due to adverse changes in interest rates and the market's perception of issuers' creditworthiness.

Also, certain hybrid debt arrangements are subject to risks in addition to the conventional risks of general interest-rate movements and the issuers' ability to pay the debt in accordance with its terms. In such circumstances, an investor in such arrangements, including the Master Fund, generally depends on the lender to enforce its rights and obligations under the loan arrangements in the event of a default by the borrower on the underlying loan and will generally have no voting rights with respect to the issuer, as such rights are typically retained by the lender. Such investments are subject to the credit risk of the lender (as well as the borrower) since they depend upon the lender forwarding payments of principal and interest received on the underlying loan. There can be no assurance that the lender will not default on its obligations under such arrangements, which could result in substantial losses to an investor, including the Master Fund.

Derivatives. The Fund intends to use derivative instruments, including, without limitation, warrants, options, swaps, notional principal contracts, forward contracts, futures contracts and options thereon, and may use derivative techniques for hedging and for other trading purposes. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage sometimes embedded in such instruments. The derivatives markets are frequently characterized by limited liquidity, which can make it difficult as well as costly to close out open positions in order either to realize gains or to limit losses. The pricing relationship between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, resulting in unexpected losses.

Use of derivatives and other techniques such as short sales for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in the value of such position may be limited.

Cybersecurity Risk. The Funds are subject to risks associated with a cybersecurity breach. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from "hacking" by other computer users, other unauthorized access and the resulting damage and disruption of hardware and software systems, loss or corruption of data, as well as misappropriation of confidential information. If a cybersecurity breach occurs, the Funds may incur substantial costs, including those associated with: forensic analysis of the origin and scope of the breach; increased and upgraded cybersecurity; investment losses from sabotaged trading systems; identity theft; unauthorized use of proprietary information; litigation; adverse investor reaction; the

dissemination of confidential and proprietary information; and reputational damage. Any such breach could expose GS Gamma, certain of its affiliates and the Funds to civil liability, as well as regulatory inquiry and/or action. In addition, any such breach could cause substantial withdrawals from the Funds. In addition, Investors could be exposed to additional losses as a result of unauthorized use of their personal information.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of GS Gamma or the integrity of GS Gamma’s management. GS Gamma has no information applicable to this item.

Item 10 – Other Financial Industry Activities and Affiliations

GS Gamma is an indirect subsidiary of Guggenheim Partners, LLC (“Guggenheim Partners”) which is a global, diversified financial services firm. Guggenheim Partners and its affiliates (including GS Gamma) and their respective officers, directors, partners, employees, and consultants (collectively, “Guggenheim Entities”), provide their clients with a broad array of investment management, insurance, broker-dealer, investment banking, and other services. GS Gamma is under common control with FINRA registered broker-dealers and other investment advisers, both registered and unregistered through Guggenheim Partners.

As noted under ***Item 4 – Advisory Business***, GS Gamma Management, an affiliate of GS Gamma, acts as the manager to the Onshore Feeder and the sponsor to the Offshore Feeder and the Master Fund.

GS Gamma was registered with the Commodity Futures Trading Commission (“CFTC”) as a Commodity Pool Operator (“CPO”) but withdrew its registration as it does not engage in activities that require such registration. While the Master Fund may trade commodity interest positions, GS Gamma relies on the exemption provided by CFTC Rule 4.13(a)(3) with respect to the operation of the Funds. In addition, GS Gamma relies on an exemption from registration as a Commodity Trading Adviser (“CTA”) in connection with its advisory activities.

Guggenheim Securities, LLC (“GS”) and Guggenheim Investor Services, LLC (“GIS”) are FINRA registered broker-dealers affiliated with GS Gamma. From time to time, GS Gamma is permitted to, but, due to the nature of the securities in which the Master Fund invests, currently does not, execute transactions through GS. Because of its affiliation with GS, GS Gamma would be incented to conduct transactions through GS. GS Gamma chooses broker-dealers with respect to its Clients in accordance with GS Gamma’s best execution policy (as described under ***Item 12 – Brokerage Practices***) and other policies and procedures that are designed to provide for compliance with the requirements of, and GS Gamma’s fiduciary duties under, the Advisers Act. These policies and procedures address the potential for conflicts of interest that arise in connection with using an affiliate to execute trades on behalf of GS Gamma’s Clients.

GIS and Guggenheim KBBO Partners Limited (“GKBBO”), affiliates of GS Gamma, receive a placement fee from GS Gamma with respect to Investors that are introduced to certain Funds by GIS or GKBBO, as well as additional payments, including reimbursement for certain expenses incurred in providing their placement agent services. A supervised person of GS Gamma is a registered representative with GIS and is engaged in the private placement of the Funds through GIS. GS Gamma also pays similar placement fees to unaffiliated entities. GS Gamma absorbs the costs for these private placement arrangements.

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

GS Gamma has adopted a Code of Ethics (“Code”) to comply with Rule 204A-1 under the Advisers Act, which sets forth procedures and limitations governing the business conduct and personal securities trading of persons associated with GS Gamma. The Code is based upon the principle that GS Gamma employees owe a fiduciary duty to its Clients and are required to conduct their affairs, including their personal securities transactions and private investments, in such manner as to avoid: (i) serving their personal interests ahead of Clients; (ii) taking inappropriate advantage of their position with GS Gamma; and (iii) potential or actual conflicts of interest or any abuse of their position of responsibility. Further, employees are prohibited from engaging in insider trading and front-running of client activity. A copy of GS Gamma’s Code is available to any Client or prospective Client by submitting a written request to Arik Hirschfeld at arik.hirschfeld@guggenheimpartners.com.

GS Gamma employees are subject to policies and procedures regarding treatment of confidential and proprietary information, pre-clearance of personal trading in covered securities and private investments, personal loans, outside business activities, gifts and entertainment and political contributions.

Due to the nature of the securities in which the Master Fund invests, it is unlikely that GS Gamma and/or its related persons will hold positions in the same types of securities bought or sold for the Master Fund, but GS Gamma and its related persons are not restricted from doing so, unless such a purchase would disadvantage the Master Fund. Similarly, although such a purchase is unlikely, GS Gamma and/or its related persons can purchase such securities at or around the same time as the Master Fund, unless such a purchase would disadvantage the Master Fund.

GS Gamma prohibits any employee from trading, either personally or on behalf of others, or recommending securities, while in possession of material non-public information (“MNPI”) in violation of applicable laws and regulations. GS Gamma requires stringent avoidance of the misuse of inside information. Fraudulent misuse of inside information includes purchasing or selling securities on the basis of such information for the account of the firm, an employee, a client, or anyone else. Fraudulent misuse also includes “tipping” such information to anyone, or using it as a basis for recommending, by way of a research report or otherwise, the purchase or sale of a security.

Guggenheim Investments Restricted List

GS Gamma and its employees are not permitted to trade on securities with respect to which any of them or certain affiliated investment advisors (“Guggenheim Investments”) obtains MNPI, including information obtained from public companies which are clients of Guggenheim Investments. The Guggenheim Investments Restricted List (the “Restricted List”) is a list of issuers in which GS Gamma and its employees are restricted from trading due to legal, regulatory or contractual restrictions. For example, if Guggenheim Investments receives MNPI about certain issuers, such issuers will be placed on the Restricted List. Securities will be added to the Restricted List in among potentially others, the following circumstances:

- In certain circumstances, where there is a concentration of ownership in a security and Guggenheim Investments or an affiliate already owns a substantial beneficial interest in the publicly held outstanding shares;
- When Guggenheim Investments or any of its employees receives confidential information relating to an issuer and enters into a contractual agreement not to trade in the issuer’s securities for a period of time; or

- When Guggenheim Investments or any of its employees comes into possession of MNPI about a public company, such as business plans, earnings projections, or merger and acquisition plans.

Absent limited and specific exceptions, and although unlikely to impact GS Gamma given the nature of securities traded by GS Gamma in the Funds, issuers on the Restricted List may not be traded by GS Gamma or in employee personal accounts. The Restricted List generally prohibits GS Gamma from buying or selling the issuer's securities for a Fund and the Funds may be forced to deviate from their stated objectives because an issuer is restricted. In the unlikely event that an issuer's securities are owned by the Funds and subsequently that issuer's securities are placed on the Restricted List, absent certain limited exceptions, GS Gamma will not trade that issuer's securities held by a Fund until those securities are removed from the Restricted List. The Fund will bear the risk of loss during the period any such securities are on the Restricted List. Accordingly, the placement of issuers' securities on the Restricted List has the potential to negatively affect GS Gamma's exercise of discretion over and the performance of the Funds.

Principal Transactions

GS Gamma generally intends to avoid any transaction that constitutes a "principal transaction" within the meaning of Section 206(3) of the Advisers Act. In such a transaction, an adviser acts as principal for its own account with respect to the sale of a security to, or purchase of a security from, its client. If, however, GS Gamma determines such a transaction is in the best interests of the Funds, GS Gamma may enter into such a transaction provided GS Gamma has met the Advisers Act requirements with respect to the transaction, including the relevant disclosure requirements and the requirement to obtain the informed consent of the Funds.

Other Conflicts of Interest

From time to time, GS Gamma has effected transactions and, in the future, may effect transactions on behalf of the Master Fund through GS, and in such case, GS may be compensated for executing such transactions. As noted under **Item 10 – Other Financial Industry Activities and Affiliations** and **Item 12 – Brokerage Practices**, any such transactions will be carried out in accordance with GS Gamma's best execution methodology and applicable Advisers Act requirements.

Item 12 – Brokerage Practices

GS Gamma has full discretion to select the brokers or dealers to be used to effect transactions with or for the Master Fund without obtaining the Master Fund's specific consent. GS Gamma selects brokers with the objective of seeking best execution under the circumstances. Although it does not currently do so, GS Gamma has and, in the future, may use its affiliated broker-dealer, GS, under certain circumstances and in accordance with seeking best execution and applicable Advisers Act requirements. In the specialized markets for MBS, when selecting brokers, GS Gamma considers the following factors: (i) the ability the broker has to execute the transaction in a manner that achieves the most favorable execution for the Master Fund under the circumstances; (ii) the range and quality of a broker's services, including execution capability, commission rate, price, financial stability and reliability, and the specifics of the security being traded; and (iii) any other factors that GS Gamma deems appropriate and in the best interests of the Master Fund with respect to the services provided by such brokers. Given the nature of the securities traded by the Master Fund, there is often only one counterparty active in a particular security at a given time. In such situations, GS Gamma will use best effort to seek the best execution from the counterparty.

GS Gamma does not have soft dollar arrangements with a broker-dealer in connection with Client securities transactions. Although certain broker-dealers that GS Gamma effects transaction with or for the Master Fund also

provide independent valuation services to GS Gamma regarding securities held within the Master Fund, GS Gamma does not “pay up” (i.e., pay higher brokerage fees than it otherwise would) for those services.

GS Gamma does not direct trades to broker-dealers on the basis of client referrals made by such broker-dealers.

GS Gamma does not participate in directed brokerage.

Trade and Other Clerical Errors

GS Gamma understands that, on occasion, errors may occur in effecting a trade order. In such instances, GS Gamma will take reasonable measures to protect the interests of its Clients affected by a trade error. As a general policy, Clients (*i.e.*, the Funds) will be made whole for losses incurred that are directly attributable to the trade error.

GS Gamma will not use Client assets, directly or indirectly, to correct any errors.

In the event the error was caused by a third party (*e.g.*, a broker or custodian), GS Gamma will be responsible for taking reasonable steps to attempt to cause that third party to take measures to place the Client in the same position it would have been had the error not occurred. Regardless of such third parties' actions, GS Gamma is not responsible for making the Client whole in the event a trade error was caused by a third party.

Item 13 – Review of Accounts

On a monthly basis, three independent dealer marks for each MBS held by the Master Fund are sent directly to BNP Paribas Bank & Trust Cayman Limited (“BNP Paribas”), the Funds’ administrator, and GS Gamma. For MBS Options and other investments, prices are obtained in accordance with the valuation policy outlined in the Feeder Fund’s offering documents. Trade information and principal and interest payments are recorded by BNP Paribas with use of the JP Morgan Securities LLC (“JPM”) on-line access system. This system, combined with the monthly statements from JPM, GS Gamma’s prime broker, as well as BNP Paribas’ own proprietary systems regarding cash flows captures and identifies all trading and P&L information for the Funds. BNP Paribas prepares a monthly information package including financial statements, partners’ capital (shareholder equity) roll forward and NAV calculation. This package is provided to GS Gamma and GS Gamma’s Controller for review.

As a check and balance of BNP Paribas calculation of NAV, GS Gamma conducts its own calculation of NAV based on its records of monthly trading activity and prepayments. This calculation is then compared to the NAV calculated by BNP Paribas. Significant fluctuations, if any, are discussed, investigated and resolved. Both BNP Paribas and GS Gamma’s NAV calculations are sent to GS Gamma’s Controller who reviews for mathematical accuracy and comparability. Upon completion of this review, GS Gamma approves the NAV and authorizes BNP Paribas to release it. Once GS Gamma approves the NAV and authorizes release, BNP Paribas sends monthly account statements to Investors.

The CCO holds quarterly (or more frequently if necessary) best execution and investment committee meetings with a member of the portfolio management team, a senior non-portfolio management employee and the GS Gamma Controller. During these meetings, investment portfolio, transactions, policies, strategies, valuation and pricing sources are reviewed.

Item 14 – Client Referrals and Other Compensation

GS Gamma does not engage third party agents for client referrals.

Item 15 – Custody

All cash and certificated securities of each Fund are held in custody by independent qualified custodians.² However, GS Gamma has the authority to withdraw such assets upon GS Gamma's instruction to the custodians. Therefore, GS Gamma also is considered to have custody of the Funds' assets. To meet its obligations under the Advisers Act Rule 206(4)-2 (the "Custody Rule"), GS Gamma arranges for the Funds' financial statements to be prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and audited at least annually by an independent public accountant that meets the requirements of the Custody Rule. Further in accordance with the Custody Rule, GS Gamma distributes those audited financial statements to all Investors within 120 days of the end of the Funds' fiscal year.

The qualified custodians also send statements directly to the Master Fund no less frequently than quarterly. Client account statements are maintained by GS Gamma in its files.

Item 16 – Investment Discretion

Pursuant to the authority granted in certain subscription documents and advisory agreements, GS Gamma has complete authority and discretion in managing the business and affairs of each Fund, subject only to the specific and express limitations provided therein. For example, without obtaining specific consent from a Fund, GS Gamma is authorized to make decisions with respect to the following matters: (i) the securities and other financial instruments that GS Gamma purchases or sells for such Fund; (ii) the amount of securities and other financial securities that GS Gamma purchases or sells for such Fund; (iii) the brokers or dealers to be used to effect transactions with or for such Fund; and (iv) the commission rate (if applicable) to be paid to any such broker.

Item 17 – Voting Client Securities

GS Gamma currently does not invest, nor does it foresee investing, Client assets in securities that carry voting rights. GS Gamma invests in MBS, the issuers of which do not generally seek the input of security holders, obviating the need for GS Gamma to exercise voting authority for its Clients. In the unlikely situation where a Fund has the opportunity to, or is required, to vote or consent in respect of a portfolio security, GS Gamma will decide how to exercise such vote or consent by reference to GS Gamma's fiduciary obligations to the Funds, including seeking to maximize the value of such holding in a manner consistent with the Fund's investment objective. In taking such actions, GS Gamma will follow procedures that are designed to identify conflicts or potential conflicts that could arise between its own interests and those of a Fund. If it is determined that any such conflict or potential conflict is not material, GS Gamma may vote or provide a consent notwithstanding the conflict. If it is determined, however, that a conflict of interest or potential conflict of interest is material, the CCO will work with appropriate personnel to agree upon a method to resolve such conflict before voting proxies affected by the conflict.

GS Gamma may refrain from voting or providing consent where it believes that abstaining from voting would be in the best interests of the relevant Fund.

² A qualified custodian is: (i) bank per §202(a)(2) under the Advisers Act or savings association per §3(b)(1) of the Federal Deposit Insurance Act; (ii) broker-dealer registered under §15(b)(1) of the Securities Exchange Act of 1934 Act; (iii) futures commission merchant registered under §4f(a) of the Commodity Exchange Act; (iv) foreign financial institution that customarily holds customer financial assets.

Clients may obtain information about how GS Gamma votes proxies on their behalf by contacting the CCO. Additionally, a copy of GS Gamma's Proxy Voting Policy is available to any Client or prospective Client by submitting a written request to Arik Hirschfeld at arik.hirschfeld@guggenheimpartners.com.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition if (i) they require or solicit prepayment of fees in excess of \$1,200, six months or more in advance or (ii) in the event an adviser has any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. GS Gamma does not require or solicit prepayment of fees six months or more in advance and does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients.

In addition, GS Gamma has not been the subject of a bankruptcy petition at any time during the past ten years.