

MARCH 30, 2023

PART 2A OF FORM ADV: FIRM BROCHURE

Calamos Advisors LLC

CALAMOS<sup>®</sup>  
INVESTMENTS

CALAMOS

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This brochure provides information about the qualifications and business practice of Calamos Advisors 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 by any state securities authority.

Additional information about Calamos Advisors 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 801-29688.

## **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 on March 29, 2022.

**Item 4: Advisory Business.** Item 4 has been amended to reference the offices in Chicago and Coral Gables, as well as the new UCITS offered: Calamos Growth and Income Fund.

**Item 5: Fees and Compensation.** Item 5 has been revised to amend the fee schedule to include the new Merger Arbitrage strategy. This section was also revised to mention that the firm serves as subadvisor to new affiliated funds: Calamos Antetokounmpo Sustainable Equities Fund and Calamos Antetokounmpo Global Sustainable Equities ETF.

**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.** The Investment Strategies in Item 8 were amended to include the Merger Arbitrage strategy.

**Item 10: Other Financial Industry Activities and Affiliations.** Item 10 has been amended to include the following affiliates: Calamos Antetokounmpo Asset Management LLC, Calamos Antetokounmpo Sustainable Equities Trust, Calamos Private Equity LLC and CKPE Fund I, LLC. This section was also revised to include the new UCITS offered: Calamos Growth and Income Fund.

**Item 11: Code of Ethics and Insider Trading Policy, Participation or Interest in Client Transactions and Personal Trading.** Item 11 has been amended to include changes made to the firm's policy around cross-trades.

**Item 14: Client Referrals and Other Compensation.** Item 14 has been revised to conform to the most recent SEC Marketing Rule 206(4)-1 changes that were effective November 4, 2022.

**Item 17: Voting Client Securities.** Item 17 has been amended to remove the language regarding the process for blended accounts that hold both a sustainable strategy and a non-sustainable strategy.

**ANY QUESTIONS:** The Chief Compliance Officer ("CCO") of CAL remains available to address any questions that a client or prospective client may have regarding this Part 2A Brochure.

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## Item 4: Advisory Business

### CORPORATE HISTORY

Calamos Advisors LLC is an investment adviser registered with the U.S. Securities and Exchange Commission (the “SEC”) effective May 29, 1987 and a wholly owned subsidiary of Calamos Investments LLC (“CILLC”). Calamos Asset Management, Inc. (“CAM”) 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 Advisors LLC (“CAL”). Please note our use of the term “registered” throughout this brochure does *not* imply a certain level of skill or training.

The firm’s roots date back to 1977 when John P. Calamos, Sr. began serving clients with an emphasis on investment strategies that sought to maximize the potential of convertible securities to manage risk and build wealth. Our firm, headquartered in Naperville, Illinois, has grown organically and through acquisitions with offices based in New York, San Francisco, Portland, Milwaukee, Chicago and Coral Gables.

As of December 31, 2022, 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 owned by John P. Calamos, Sr. and John S. Koudounis, and CPL was owned by John S. Koudounis and Calamos Family Partners, Inc. (“CFP”). CFP was beneficially owned by members of the Calamos family, including John P. Calamos, Sr.

### INVESTMENT SERVICES

Since the introduction of the firm’s first convertible strategy in 1977, Calamos has continued to expand its product offerings. In 1989, the firm introduced an equity strategy that invests in equity and equity sensitive securities, and in 1990, the firm introduced its U.S. equity growth strategy. In subsequent years, investment offerings expanded to include high yield, alternative, fixed income, enhanced fixed income, international growth equity, global long/short, small-cap, SMID and sustainable equity investment strategies.

The firm offers and earns advisory fees on the following types of investment products: open-end mutual funds, closed-end funds, collective investment trusts (CITs), institutional accounts, separately managed accounts, commingled privately placed funds and offshore funds. CAL also offers the Calamos Global Convertible Fund and the Calamos Growth and Income Fund, each an Undertakings for Collective Investments in Transferable Securities (UCITS), and a series or sub-fund of GemCap Investment Funds (Ireland) PLC umbrella fund for which CAL serves as investment manager. Products are distributed through Intermediaries, such as investment advisers and broker-dealers both in the U.S. and abroad; Institutional Platforms; and Wealth Management for high net worth individuals and private foundations. Calamos also provides discretionary investment management services directly to institutional investors. We also serve as a sub-investment adviser to investment companies registered under the Investment Company Act of 1940, as amended (the “1940 Act”).

We do not sponsor any “wrap-fee” programs, however Calamos participates in several “wrap-fee” and unified managed accounts (“UMA”) programs (collectively, the “Wrap Programs”), which are sponsored by unaffiliated (third-party) investment advisory and/or brokerage firms (each a “Sponsor” and collectively, the “Sponsors”). We participate as a non-discretionary sub-adviser in Wrap Programs. In these Wrap Programs, a third-party Sponsor offers our firm’s strategies to its clients. We receive a fee from the third party as an investment adviser in these Wrap Programs.

Calamos provides, to third-party investment advisers, Model Portfolios/Portfolio Emulations Services (“Model Portfolio”) for a fee. Model Portfolios contain Calamos’ current investment recommendations based on one of its investment strategies and other investment parameters as agreed to between Calamos and a third-party client or program Sponsor for the client’s or Sponsor’s use in advising its clients. Although Calamos provides recommendations, it does not have the authority or responsibility to implement those recommendations for any particular account. Rather, the client or third-party program Sponsor receiving the model and any updates to the

model controls all investment decisions and executes the securities transactions on behalf of its own account or for the account of its clients.

Therefore, there will likely be differences between these Model Portfolios and the discretionary portfolios managed by the firm for its other clients, including cash availability, investment restrictions, account size, holding limits, tax considerations, trade executions and other factors. As a result, the performance of our discretionary advisory clients and that of the Model Portfolios using the same investment strategies will differ.

### **TAILORED SERVICES**

For most types of accounts for which Calamos has investment discretion, we allow clients to customize their investments, upon their request, by imposing reasonable investment restrictions on certain securities, industries or sectors. In these cases, the client will provide Calamos with written instructions. These requests are typically received at account inception, but reasonable restrictions may be requested, in writing, at any time thereafter, and must be agreed to by Calamos.

### **OTHER**

Given the multiple potential services that Calamos may provide to a client including a Fund or Funds in which clients may invest, conflicts of interest will arise. When using multiple Calamos (or affiliate) products and services (e.g., consulting and portfolio management), a client should be aware of the conflicts that may arise, consult its own adviser(s), and satisfy itself that the arrangement is appropriate and in its continuing best interests.

Calamos and its affiliates are not required to devote their full-time or attention to managing your assets. We conduct other business and also provide investment counseling services to other clients that can be competitive with the activities provided to you. In advising other accounts, we give advice and make recommendations to such accounts, which can be the same, similar to or different from those rendered to you. Differing compensation arrangements with other clients create incentives for us to favor such other clients.

Calamos personnel may have more than one role at the company. Certain portfolio managers also serve as traders or research analysts. Further, certain research analysts offer investment ideas for team-managed products. Personnel with multiple roles may have an incentive to favor certain accounts or responsibilities over others.

John P. Calamos, Sr., Founder, Chairman and Global Chief Investment Officer, and his family have controlling interest in the firm. This affiliation creates a conflict of interest between our duty to act in your best interest while acting in the best interest of the firm.

The firm has in place policies and procedures to address conflicts of interest or potential conflicts of interest. These policies and procedures are described throughout this brochure and include requirements that Calamos employees act in the best interest of the client.

### **ASSETS UNDER MANAGEMENT**

As of December 31, 2022, Calamos had approximately \$33.8 billion total assets under management.

## **Item 5: Fees and Compensation**

### **SEPARATE ACCOUNTS**

Separate accounts are individual portfolios of securities managed to meet clients' unique needs and include institutional accounts and managed accounts. Generally, the minimum account size for a separate account ranges from \$1 million to \$25 million depending on the strategy selected. The minimum account size for wrap-fee and UMA programs is typically \$75,000 to \$100,000, depending on the strategy and plan Sponsor minimums. Calamos reserves the right to waive or reduce the minimum account size at our discretion. Separate account fees are based upon a percentage of assets under management, typically calculated and invoiced at the end of each calendar

quarter and are normally payable quarterly in advance. Fees may also be payable in arrears. Please see your Investment Management Agreement to determine your schedule.

Below is the standard fee schedule.

STRATEGY NAME	MINIMUM INVESTMENT	INVESTMENT AMOUNT	FEES
Convertible Arbitrage	\$50,000,000	on balance	0.80%
Dividend Growth	\$5,000,000	on first \$25	0.75%
		on next \$25	0.70%
		on next \$25	0.65%
		on balance	0.50%
Dynamic Intermediate Tax-Efficient	\$1,000,000	on first \$10m	0.40%
		next \$15m	0.30%
		next \$25m	0.25%
		next \$50m	0.20%
		next \$150m	0.15%
		on balance	0.10%
Enhanced Alpha	\$5,000,000	on balance	0.50%
Emerging Economies	\$25,000,000	on first \$50m	0.95%
		next \$50m	0.85%
		next \$50m	0.80%
		on balance	0.70%
Global Convertible	\$25,000,000	on first \$25m	0.85%
		next \$25m	0.70%
		on balance	0.65%
Global Growth	\$25,000,000	on first \$25m	0.90%
		next \$25m	0.75%
		Next \$50m	0.65%
		on balance	0.60%
Global Opportunities	\$25,000,000	on first \$25m	0.90%
		next \$25m	0.75%
		next \$50m	0.65%
		on balance	0.60%
Global Sustainable Equities	\$5,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		next \$50m	0.65%

		on balance	0.60%
Hedged Equity	\$25,000,000	on first \$25m	0.60%
		next \$25m	0.50%
		on balance	0.45%
High Income Opportunities	\$25,000,000	on first \$50m	0.60%
		next \$50m	0.50%
		on balance	0.40%
International Growth	\$25,000,000	on first \$25m	0.90%
		next \$25m	0.75%
		next \$50m	0.65%
		on balance	0.60%
International Growth Concentrated	\$25,000,000	on first \$25m	0.90%
		next \$25m	0.75%
		next \$50m	0.65%
		on balance	0.60%
International Small Cap Growth	\$5,000,000	on first \$50m	0.95%
		next \$50m	0.85%
		on balance	0.75%
International Sustainable Equities	\$5,000,000	on first \$25m	0.80%
		next \$25m	0.75%
		next \$50m	0.70%
		on balance	0.65%
Market Neutral Income	\$100,000,000	on first \$100m	0.75%
		next \$100m	0.70%
		on balance	0.65%
Merger Arbitrage	\$25,000,000	on balance	0.80%
Phineus Long/Short	\$10,000,000	on first \$25m	1.25%
		next \$25m	1.00%
		next \$50m	0.90%
		on balance	0.80%
Short-Term Bond	\$10,000,000	on first \$25m	0.30%
		next \$25m	0.25%
		on balance	0.20%
Small Cap Growth	\$5,000,000	on first \$25m	0.90%
		\$25-50m	0.85%
		\$50-100m	0.75%
		above \$100m	0.65%

SMID Growth	\$5,000,000	on first \$25m	0.95%
		\$25-50m	0.90%
		\$50-100m	0.85%
		above \$100m	0.70%
Preferred Securities	\$10,000,000	on first \$50m	0.40%
		\$50-100m	0.35%
		Above \$100m	0.30%
U.S. All Cap Growth	\$5,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		next \$25m	0.65%
		on balance	0.50%
U.S. Convertible	\$25,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		on balance	0.65%
U.S. Core Plus Fixed Income	\$25,000,000	on first \$25m	0.50%
		next \$25m	0.40%
		on balance over \$50m	0.30%
U.S. Mid Cap Growth	\$5,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		next \$25m	0.65%
		on balance	0.50%
U.S. Opportunities	\$25,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		on balance	0.65%
U.S. Sustainable Equities	\$5,000,000	on first \$25m	0.70%
		next \$25m	0.65%
		next \$50m	0.60%
		on balance	0.55%
U.S. Select Equity	\$5,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		next \$25m	0.65%
		on balance	0.50%
U.S. Select Equity Growth	\$5,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		next \$25m	0.65%
		on balance	0.50%
U.S. Select Tech Plus	\$5,000,000	on first \$25m	0.75%
		next \$25m	0.70%

		next \$25m	0.65%
		on balance	0.50%
80/20 Convertible	\$25,000,000	on first \$25m	0.75%
		next \$25m	0.70%
		on balance	0.65%
80/20 Global Convertible	\$25,000,000	on first \$25m	0.85%
		next \$25m	0.70%
		on balance	0.65%

A description of the investment strategies available in separate accounts is provided in **Item 8**.

Please note that there are CAL strategies provided in **Item 8** that are only offered to Calamos Wealth Management LLC ("CWM") clients<sup>1</sup>; see CWM Form ADV 2A for information on those fee schedules.

**Limited Negotiability of Advisory Fees:** Although Calamos has established the standard fee structure set forth above, we retain the discretion to negotiate or waive fees on a client-by-client basis. Also, pre-existing advisory clients are subject to our minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship with us. Therefore, the applicable minimum account requirements as well as advisory fees paid will differ among clients, and other clients may pay less than you or have lower minimums.

In determining the fee structure for your account, we consider the nature of our proposed advisory relationship with you. The nature of our proposed advisory relationship is determined by the assets to be placed under our management, anticipated future additional assets, services provided, other accounts you may have with us, account type, portfolio style, account composition, and reporting, among other factors. We may group certain of your accounts for the purposes of meeting the minimum account size requirements and determining the annualized fee. Your specific annual fee structure is described in your investment advisory agreement.

Discounts are offered to the firm's employees, their family members, and friends.

It should be noted that while we believe our fees are reasonable, similar advisory services may be available from other investment advisers for lower fees. Similarly, certain of the investment products that we recommend for your account will be available through other brokers or intermediaries that are not affiliated with Calamos.

The only compensation received by Calamos for effecting securities transactions for clients is its advisory fees. Calamos will also receive certain non-financial soft dollar benefits. See **Item 12** Brokerage Practices for more details.

**Termination of the Advisory Relationship:** Under our current form of the advisory agreement, the agreement may be terminated at any time, by either party, for any reason upon receipt of 30 days written notice. Upon termination of your account, any prepaid, unearned fees will be refunded to you promptly. Calamos will issue you an invoice for any unpaid fees. In calculating your remaining fee or reimbursement, we will prorate the fee or reimbursement according to the number of days remaining in the billing period.

#### **"WRAP-FEE" AND SIMILAR ARRANGEMENTS**

Calamos participates in several Wrap Programs. As a client in a Wrap Program, you should carefully review the Sponsor's Form ADV Part 2A for complete details regarding the Wrap Program. The typical minimum account size

<sup>1</sup> Calamos Wealth Management LLC is an affiliated wealth manager providing 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, and institutional plans such as Taft-Hartley plans and those of Corporations.

is \$75,000 to \$100,000 depending on the strategy and Sponsor minimums. Calamos reserves the right to waive or reduce the minimum account size at our discretion. If we execute your trades through a broker-dealer other than the Sponsor, those trades will likely be subject to brokerage commissions and equivalents, markups and markdowns, and transaction fees. A client participating in these Wrap Programs should be aware that the Sponsor will charge various program fees; e.g. trade away fees, in addition to the advisory fee charged by Calamos. All such fee disclosures are provided in the Sponsor's Form ADV Part 2A.

## **MUTUAL FUNDS**

CAL receives investment advisory, and distribution fees, as described below, as a service provider to the Calamos Funds (the "Mutual Funds"), which are registered under the 1940 Act. CAL receives distribution fees (12b-1 fees) on C share purchases for the first year after purchase because CAL pays the broker dealer or investment adviser 1% at the time of the client's share purchase. After the first year, the distribution fees revert to the broker dealer listed on the account.

These and other fees are charged by the funds and are described in the Mutual Funds' registration statements, shareholder reports, and the funds' prospectuses, which are available online at <http://www.calamos.com/FundInvestor/LiteratureLibrary>. Please refer to them for additional information about the Funds.

CAL also acts as sub-adviser to affiliated<sup>2</sup> and unaffiliated mutual funds and the fees associated with those funds are described in the registration statements and/or financial filings of those funds.

Certain Calamos supervised persons and related sales personnel are also associated with Calamos Financial Services LLC ("CFS"), an affiliated limited purpose broker-dealer, and in that capacity engage in marketing or selling activities with respect to shares in the Mutual Funds. Supervised persons and related sales personnel are compensated for successful marketing or selling activities with respect to shares in the Mutual Funds. These compensation arrangements create potential conflicts of interest that give Calamos and its supervised persons and related sales personnel an incentive to recommend particular Mutual Funds to potential investors based on the compensation received rather than on a mutual fund investor's need. The Calamos Mutual Funds website provides information describing Wholesaler compensation at:

[https://www.calamos.com/globalassets/media/fundinvestor/literature/wholesaler/calamosinvestmentswholesalercompensation\\_focusfunds.pdf](https://www.calamos.com/globalassets/media/fundinvestor/literature/wholesaler/calamosinvestmentswholesalercompensation_focusfunds.pdf)

Additionally, the Mutual Funds' prospectuses provide additional details to help prospective investors understand potential conflicts of interest associated with the compensation of the intermediaries that sell fund shares.

We do not receive revenue sharing payments from funds or other advisers.

## **CLOSED-END FUNDS**

The investment advisory fees that we receive as an investment adviser to the Calamos Closed-End Funds are described in the registration statements and financial filings of those funds. Registration Statements, financial filings and press releases are also available online at <http://calamos.com/FundInvestor/LiteratureLibrary>.

## **UNDERTAKING FOR COLLECTIVE INVESTMENTS**

Calamos serves as investment manager to the Calamos Global Convertible Fund and the Calamos Growth and Income Fund, each a UCITS, and a sub-fund of GemCap Investment Funds (Ireland) PLC which is an open-ended umbrella investment company with variable capital incorporated with limited liability and segregated liability between Funds. The investment management fees that we receive are described in the supplement to the

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<sup>2</sup> CAL acts as subadvisor to the Calamos Antetokounmpo Sustainable Equities Fund and Calamos Antetokounmpo Global Sustainable Equities ETF.

prospectus of the Fund which is available online at [Global Convertible | Calamos Investments](#) and [Growth and Income | Calamos Investments](#). The UCITS are available to non-U.S. clients only.

### **POOLED INVESTMENT VEHICLES**

Calamos serves as the investment adviser to the Calamos Advisors LLC Master Group Trust Global Opportunities Trust (“Group Trust”). The fees relating to the Group Trust are described in the investment management and investment advisory agreements between Calamos and the Group Trust.

Our firm also serves as General Partner and investment adviser to the Calamos Global Opportunities Fund Limited Partnership. Fees relating to the Calamos Global Opportunities Fund Limited Partnership are further described in the Confidential Private Offering Memoranda. These products are available to accredited investors only.

Calamos serves as the Investment Manager and General Partner to the Calamos Ares Quant Fund I, LP. This fund is not currently offered to investors.

### **CUSTODY FEES**

Calamos does not maintain custody of account assets. Rather, you must establish a custody account with an unaffiliated custodian. Your custodian will charge you fees for providing custody services for the assets held by them.

### **OTHER FEES OR EXPENSES**

In addition to the fees and expenses described in the foregoing section, you will also pay costs such as brokerage commissions and equivalents, markups and markdowns, transaction fees, custodial fees, transfer taxes, wire transfer fees, and other fees and taxes charged to brokerage accounts and securities transactions, which are in addition to the advisory fee collected by Calamos (See **Item 12** for more details).

Open-end mutual funds, closed-end funds and UCITS are subject to various fees and expenses, including administrative, custody and other fees that are borne by investors. These fees are disclosed in the fund’s prospectus and financial filings.

As noted above, any taxes incurred are in addition to the advisory fee collected by Calamos, and you should understand that the purchases and sales of the securities, including those resulting from reallocation or rebalancing of your account, may be taxable events.

### **COMPENSATION**

Compensation for investment professionals includes a base salary and an annual discretionary cash bonus (driven by investment or portfolio, company and individual performance). Senior level investment professionals are also eligible for discretionary Long-Term Incentive (“LTI”) awards based on individual and collective performance, however these awards are not guaranteed from year to year. The LTI program is a Mutual Fund Incentive Award with awarded amounts deemed to be invested in one or more funds managed by such professional, which vest and are paid in installments over a four-year period following the grant of such LTI award.

The compensation structure for portfolio managers generally does not differentiate between the funds or other accounts managed by the portfolio managers, and is determined as described above, with the exception of the compensation for the portfolio manager for Calamos Phineus Long/Short Fund, and the portfolio managers of the Calamos Sustainable Equities Team.

In addition to the compensation described above in the first paragraph of this section, the Phineus Long/Short Fund portfolio manager may earn bonus payments related to the asset levels within the Calamos Phineus Long/Short Fund. He does not receive additional bonus payments for the Calamos Growth Fund or other portfolios and strategies he manages, therefore the portfolio manager is incentivized to favor Calamos Phineus Long/Short Fund over Calamos Growth Fund and other portfolios and strategies.

In addition to the compensation described above in the first paragraph of this section, the portfolio managers of Calamos Timpani Small Cap Growth Fund and SMID Cap Growth Fund are eligible to receive certain “Timpani team revenue share payments,” which consists of a share of management fees for assets over certain thresholds within such Timpani funds or the accounts they manage (including emulation or model accounts).

In addition to the compensation described above in the first paragraph of this section, the portfolio managers of the Calamos Sustainable Equities Strategies are eligible to receive a percentage of the “Net Contribution Margin” which is defined as management fees received with respect to the assets managed by the portfolio managers minus expenses.

To mitigate the conflict of preferentially allocating investment opportunities, CAL has in place policies and procedures designed to allocate investment and trading opportunities among similarly situated clients on a fair and equitable basis over time.

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

### **PERFORMANCE-BASED FEES**

Calamos or an affiliate may receive performance-based or incentive fees from you or funds in which you invest.

A performance fee arrangement creates an incentive for the portfolio manager to make investments that are riskier or more speculative than would be the case in the absence of performance fees. A performance fee arrangement may result in increased compensation to the co-portfolio managers from such accounts due to unrealized appreciation as well as realized gains in the client’s account; therefore, Calamos has an incentive to favor such accounts.

Calamos is the adviser to two mutual funds that make fee adjustments based on fund performance. The Calamos International Growth Fund and the Calamos Global Equity Fund each pay a base fee, subject to possible adjustment based on the fund’s performance, as described in the fund’s prospectus. The payment and calculation of the performance adjustment is subject to the ultimate supervision of the board of trustees of the funds, Calamos will receive a positive performance adjustment even if the fund has a negative return over a performance measurement period if it otherwise outperforms its respective index during that period.

A portfolio manager will be faced with a conflict of interest when allocating investment opportunities, given the possibility of greater fees from accounts that pay performance-based fees as opposed to accounts that do not pay performance-based fees.

To the extent that Calamos receives performance fees, allocations or otherwise receives higher performance fees, allocations or investment management fees from a client than it does with respect to clients generally, Calamos will have an economic incentive to allocate additional resources or investment professionals to such client and, to the extent such resources are limited, away from other clients.

To address these types of conflicts, we have adopted policies and procedures that promote the allocation of investment opportunities in a manner consistent with our obligations as an investment adviser. See **Item 12** for additional information on our trade allocation procedures. To further manage these types of conflicts, we have implemented policies and procedures, discussed in greater detail below, that are designed in part to manage and mitigate the potential conflicts arising from the management of traditional investment portfolios alongside alternative investment portfolios, including conflicts arising from differences in fee structures.

### **SIDE-BY-SIDE MANAGEMENT**

Management of multiple portfolios gives rise to conflicts of interest. These include, for example, conflicts among investment strategies, conflicts in the allocation of investment opportunities, or conflicts due to different fees. Some accounts have higher fees than others. Fees charged to clients differ depending upon a number of factors including, but not limited to, the particular strategy, the size of the portfolio being managed, the relationship with

the client, the service requirements, or the account type (e.g., separately managed accounts). Based on these factors, a client may pay higher fees than another client in the same strategy. Also, clients with larger assets under management generate more revenue for CAL than smaller accounts. These differences give rise to a conflict that a portfolio manager may favor the higher fee-paying account over the other or allocate more time to the management of one account over another.

Also, Calamos serves as an adviser to long-only accounts, accounts that execute short sales, and a long/short account. Calamos sells short securities in a long-short account while oftentimes holding long the same security in another account. In this case, we 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 would harm a long-only account holding the same security.

As noted above (See **Item 5**) the portfolio manager for Calamos Phineus Long/Short Fund is incentivized to favor this fund over the other accounts he manages.

To manage these conflicts, we have implemented Side-by-Side Management policies and procedures designed to set out specific requirements regarding the side-by-side management of traditional investment portfolios (e.g., long-only portfolios) and alternative investment portfolios, including without limitation, those associated with any differences in fee structures, investments in the alternative investment portfolios by Calamos or its employees and trading-related conflicts including conflicts of interest that may also be raised when Calamos investment teams take conflicting (i.e., opposite direction) positions in the same or related securities for different accounts. In addition, we have established a Side-by-Side Management Committee that seeks to ensure that such conflicts are reviewed and managed appropriately.

## **Item 7: Types of Clients**

Calamos provides investment management services to:

- institutional clients such as corporations and financial institutions;
- registered investment companies, open-end funds, or mutual funds;
- closed-end funds;
- charitable institutions, foundations and endowments;
- corporate pensions, profit sharing and other retirement plans;
- municipalities;
- individuals;
- Taft-Hartley plans; and
- pooled investment vehicles

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

### **METHODS OF ANALYSIS**

We believe our edge or value as an investment manager is our ability to evaluate businesses strategically by marrying top-down insights with rigorous bottom-up fundamental research. We employ an active, high-conviction investment approach to building portfolios. A collaborative team-managed approach allows us to fully evaluate all elements of an investment idea. Top-down perspective, proprietary fundamental research and risk-management drive the portfolio construction process across all strategies.

Our investment organization is structured so that each portfolio management team maintains a dedicated focus on their area of expertise, while drawing on our shared perspectives. We believe this focus on specialization is essential because the diverse investment strategies that we offer require distinct skill sets to capitalize on investment opportunities.

For certain Funds, CAL takes environmental, social and governance (“ESG”) factors into account when making investment decisions. Chaired by John P. Calamos, Sr., the Calamos Investment Committee establishes our firm’s top-down views on the macro environment, market direction, country/sector positioning, asset allocation, and secular/cyclical themes. These views inform our economic outlook and broad thematic perspectives, providing direction for fundamental research and portfolio construction. The Investment Committee is also responsible for reviewing portfolio risk metrics, positioning, and investment performance across strategies, as well as recommending enhancements to the investment process.

Our bottom-up research utilizes both qualitative and quantitative criteria. Quantitative research provides a starting point that allows us to target investment candidates for deeper qualitative analysis.

Risk management is a shared function across the investment team undertaken by the co-portfolio managers and research analysts on a daily basis as we analyze risk at the issuing company, security and portfolio levels as well as across our investment firm. Our strategies also benefit from the contributions of a dedicated team focused on risk management. See also Risk Factors below.

### ***Investment Process: Equity and convertible strategies***

Our strategies pair bottom-up fundamental research with our top-down analysis of secular themes, macro trends and other factors. Our strategies benefit from a team-based approach and decades of experience. While we view ourselves as fundamental investors, our research blends both qualitative and quantitative analysis, with the latter helping to frame and focus our deeper fundamental research. Before investing, we carefully consider a security’s impact on a portfolio’s industry and sector allocations, referencing our macroeconomic outlook and thematic considerations. We also utilize quantitative analysis to help us more efficiently analyze fundamental and market dynamics.

Since our founding in the 1970s, our capabilities have included comprehensive capital structure research. We believe this experience is a key differentiator that can help us identify the most compelling opportunities from a risk/reward standpoint and the market dynamics affecting pricing and risk. Company analysis includes identifying opportunities from a bottom-up perspective. The end goal is to determine the economic value of a company. We evaluate the overall attractiveness of a business—how fast its market is growing, the company’s distinctive competitiveness and the ability to grow its market share and improve its profitability. We analyze a business as would a buyer of the entire company; this involves developing an investment thesis that incorporates growth drivers, potential risks and valuations. Once we understand the value of a business, we seek to determine the value of each security across the company’s capital structure and closely analyze each security’s upside and downside potential.

Our research process lends itself to identifying investment opportunities with a variety of characteristics whether companies that offer above average and sustainable growth potential or more stable companies (e.g., those that are effective stewards of capital with quality management) that are undervalued by the market but have a near-term catalyst that we believe can move their security prices higher. Additionally, we incorporate our own credit analysis as part of our convertible research process as well as part of our capital structure research.

### ***Investment Process: Global Strategies***

The global team’s investment process incorporates top-down thematic and macroeconomic analysis, along with fundamental, bottom-up research. Analysis conducted by our Investment Committee, Co-CIOs, and research professionals helps to inform the broad macroeconomic and thematic framework and provides a perspective on global risk factors and investment opportunities. Research analysts conduct rigorous company reviews, leveraging both quantitative tools to narrow the global opportunity set, and fundamental research to determine the attractiveness of the investment opportunity and to evaluate the securities across a company’s capital structure. Risk and return expectations (upside/downside) are established through a cash flow return on investment and economic profit framework, with inputs derived from the analysts.

### ***Investment Process: ESG and Sustainable Investing***

ESG analysis is integrated into our investment process for the following strategies: Global Sustainable Equities, International Sustainable Equities and U.S. Sustainable Equities. Risk and opportunity are the basis for stock selection and portfolio construction. In other words, we consider financial and nonfinancial factors in our analysis. This gives us a more holistic and complete view of risk and opportunity. The Calamos Sustainable Equities Team utilizes a proprietary ESG rating system, considering both quantitative and qualitative factors, to identify responsible, engaged companies. The team believes that a company's understanding of ESG principles demonstrates the qualities of innovation and leadership that create a distinct competitive advantage and build long-term value. Therefore, the team conducts fundamental research to find companies with attractive ESG and financial attributes. In conducting fundamental research, the team combines traditional investment information with proprietary ESG analysis. The team believes that this creates a complete picture of how each company behaves commercially and how it deals with existing and emerging ESG risks and opportunities. The team considers a company's position on various factors such as ecological limits, environmental stewardship, environmental strategies, stance on human rights and equality, societal impact as well as its corporate governance practices.

Our approach to ESG is rooted in strategic and operational analysis. We are looking for companies that can adapt to changing industry conditions and regulation, evolve over time, and avoid unnecessary liabilities and problems. We evaluate how a company interacts with the environment, society at large and its shareholders. Finally, we need to have confidence that companies are addressing their key impact areas to gain further competitive advantage and protect shareholder capital. In other words, companies must effectively manage material risks that may be unique to their industry.

### ***Investment Process: Alternatives***

#### **Global Long/Short**

The long/short investment process is led by a macro top-down and fundamental bottom-up approach that seeks long and short opportunities in worldwide markets as well as in companies that exhibit enduring (on the long side) or eroding (on the short side) franchise value.

The investment process is global, fundamental and incorporates a blend of top-down and bottom-up considerations. The approach emphasizes: 1) a comprehensive assessment of what drives share prices; 2) how companies and industries are analyzed; and 3) the flexible management of style, capitalization and country factors. While the approach is primarily derived from the team's assessment of corporate and economic fundamentals, all investment styles are considered depending upon a company's business model, prevailing market conditions and the economic cycle.

Central to the philosophy is a rigorous and collaborative process of fundamental research on companies and industries. This includes proprietary and independent research as well as analysis of publicly available information. The approach emphasizes: 1) a multi-year perspective of corporate prospects; 2) the ability to incorporate a global perspective when analyzing companies' fundamentals; and 3) analytical breadth and lateral thinking when judging technological shifts and their impact upon business models.

While investments are rarely sourced only on the basis of a macro view, the process is alert to macro risks as well as rotational, liquidity, correlation and other risks. Quantitative tools are used to monitor the exposure to style and other common risk factors.

The portfolio aims to achieve its investment objective primarily by investing globally in publicly listed equity securities of issuers that operate in the knowledge-based sectors such as technology, communications and media, as well as financial services and healthcare, and other investment vehicles, including exchange-traded funds

("ETFs") that track or otherwise provide exposure to such sectors. We believe the heterogeneous, disruptive and volatile nature of many of these sectors are well suited for long/short equity investing. Other sectors are considered if, in our opinion, such long and short exposures have favorable potential for contributing value including areas traditionally considered to be more cyclically oriented including, but not limited to, industrials, energy and commodities. The strategy may maintain long and short positions through the use of derivative instruments such as options, futures and forward contracts. The strategy may also invest in cash and equivalents.

### **Market Neutral Income and Hedged Equity**

For our Market Neutral Income and Hedged Equity strategies, the team employs a combination of rigorous quantitative and fundamental research to evaluate securities that may offer compelling hedging opportunities. The team's analysis of volatility, valuation research, and the identification of market mispricing or dislocations lead to investment ideas in the convertible arbitrage portion of alternative strategies. Analysis of valuation, correlation, tracking error and volatility pricing are utilized in the hedged equity portion.

### **Investment Process: Fixed Income**

For our fixed income portfolios, rigorous proprietary analysis drives fundamental security selection. Co-portfolio managers, analysts, and traders work collaboratively to execute a fundamental, research-based bottom-up investment process. Analysis encompasses a range of factors, including industry positioning, modeling of cash flow, balance sheet projections and full capital structure analysis. We also focus on the pricing of risk. In our portfolio construction process, we establish a risk framework and identify performance drivers, considering industry and company diversity and portfolio characteristics, among many factors. Portfolio construction also reflects our macro perspectives and liquidity analysis. We monitor strategies continually to ensure that returns are being generated from intended risks. Our monitoring includes daily attribution at credit quality, industry and security levels, as well as spread and interest rate risk and scenario analysis. In addition to qualitative analysis and proprietary tools, the team utilizes quantitative third-party tools and services in the selection and surveillance of securities.

## **INVESTMENT STRATEGIES**

To meet the diverse investment requirements of clients, we offer a range of investment strategies, including equity, convertible, fixed income and alternative.

### **ALTERNATIVE STRATEGIES**

Strategies that go beyond the traditional ways of investing. These strategies tend to behave differently than typical stock and bond investments and may provide broader diversification, reduce risk, and enhance returns.

**Convertible Arbitrage** - A strategy that seeks capital preservation by generating absolute returns to equity and fixed income markets.

**Hedged Equity** – A lower volatility, U.S. equity strategy that invests in a broadly diversified portfolio of U.S. common stock while also writing (selling) index call options and/or entering into other option strategies on equity securities and/or broad based indices.

**Market Neutral Income** – A lower volatility strategy that invests in convertible arbitrage and hedged equity strategies. Convertible arbitrage includes the purchase of convertible securities and the shorting of stock related to the underlying equity of the convertible holding. Hedged equity includes a broadly diversified portfolio of U.S. common stock as well as the writing (or sale) of index call options and/or entering into other option strategies on equity securities and/or broad-based indices.

**Merger Arbitrage** - An absolute return strategy that focuses on identifying risk-adjusted opportunities to capture the "spread" in pending merger, takeover and other corporate reorganizations, with the goal of profiting from the timely completion of these transactions.

**Phineus Long/Short** – A fundamental, global process that incorporates a blend of top-down and bottom-

up considerations as the adviser employs a flexible asset allocation across the global equity universe. The strategy allows for all investment styles (growth, value, etc.) to be considered.

## CONVERTIBLE STRATEGIES

Strategies that seek to pursue equity market upside with potentially less downside than an all-equity portfolio, by investing primarily in convertible securities.

**Global Convertible** – A global convertible strategy that seeks to leverage our capital structure research by investing in convertible securities in an effort to generate consistent alpha and manage downside volatility.

**U.S. Convertible** – A U.S. convertible strategy that seeks to leverage our capital structure research by investing in convertible securities in an effort to generate consistent alpha and manage downside volatility.

**80/20 Convertible** – A U.S. convertible strategy that seeks to leverage our capital structure research by investing in convertible securities in an effort to generate consistent alpha and manage downside volatility. The strategy invests primarily in U.S. convertible securities and may hold up to 20% in equities.

**80/20 Global Convertible** – A global convertible strategy that seeks to leverage our capital structure research by investing in convertible securities in an effort to generate consistent alpha and manage downside volatility. The strategy invests primarily in U.S. and non-U.S. convertible securities and may hold up to 20% in equities.

## EQUITY STRATEGIES

We offer strategies that seek capital appreciation by investing in a range of global companies of various market capitalizations.

**Dividend Growth** - an actively managed strategy which primarily invests in dividend-paying common and preferred stocks.

**Emerging Economies** – A risk-managed, emerging market strategy that seeks exposure to emerging economies by investing in securities of companies in those markets.

**Enhanced Alpha** – A primarily U.S. large-capitalization strategy that will tactically invest in a mix of defensive or growth-oriented businesses based on the adviser's probability weightings of which style will outperform over the near term.

**Global Growth** – A global all-cap growth equity strategy that invests in the common stocks of global growth companies.

**Global Opportunities** – An actively managed global strategy that seeks to leverage our capital structure research by investing in equities and equity-sensitive securities of global companies in an effort to generate consistent alpha and manage downside volatility.

**International Growth** - A principally non-U.S. all-cap equity strategy that invests in the common stocks of growth companies based outside of the United States.

**International Growth Concentrated** – Focuses on non-U.S. all-cap equity strategy that invests in a concentrated number, generally 35-45 holdings, of common stocks of growth companies based outside of the United States.

**International Small Cap Growth** – An actively managed, non-U.S. small cap strategy that invests primarily in the common stock of small capitalization companies based outside the U.S.

**Small Cap Growth** – An equity strategy that seeks investments in small-capitalization companies that have sound growth potential.

**SMID Growth** – An equity strategy that seeks investments in small- and mid-capitalization companies that have sound growth potential.

**U.S. All Cap Growth** – A primarily U.S. all-cap growth equity strategy that invests in the common stock of growth companies.

**U.S. Large Growth** – A large-cap growth equity strategy that seeks capital appreciation by primarily investing in stocks of U.S. large cap companies.

**U.S. Mid Cap Growth** – A mid-cap growth equity strategy that invests primarily in the common stocks of U.S. mid-capitalization companies in high-growth industries.

**U.S. Opportunities** – An actively managed, primarily U.S. strategy that seeks to leverage our capital structure research by investing in equities and equity-sensitive securities in an effort to generate consistent alpha and manage downside volatility.

**U.S. Select Equity** – A strategy that seeks total return through capital appreciation and income by primarily investing in U.S. large cap companies.

**U.S. Select Equity Growth** - The Strategy will primarily invest in U.S. large cap companies, typically with market capitalizations of at least \$15 billion.

**US Select Tech Plus** - The Strategy will primarily invest in companies in which the team believes have, or will develop, products, processes or services that will provide or benefit significantly from technological advances and improvements.

## **SUSTAINABLE EQUITY STRATEGIES**

**Global Sustainable Equities** – An actively managed, globally focused strategy that seeks to achieve long-term capital appreciation. The Strategy invests primarily in the common stock of companies around the world that excel at managing environmental risks and opportunities, societal impact and corporate governance (ESG) factors and exhibit attractive financial attributes and competitive advantages.

**International Sustainable Equities** – An actively managed, international focused strategy that seeks long-term capital appreciation. The Strategy invests primarily in the common stock of companies based outside the U.S. that excel at managing environmental risks and opportunities, societal impact and corporate governance (ESG) factors and exhibit attractive financial attributes and competitive advantages.

**U.S. Sustainable Equities** – An actively managed, U.S. focused strategy that seeks long-term capital appreciation. The Strategy invests primarily in the common stock of companies in the U.S. that excel at managing environmental risks and opportunities, societal impact and corporate governance (ESG) factors and exhibit attractive financial attributes and competitive advantages.

## **FIXED INCOME STRATEGIES**

Strategies that provide a focus on income and capital preservation by investing in both taxable and non-taxable fixed income of various maturities and credit ratings.

**Dynamic Intermediate Tax-Efficient** – A fixed income strategy that invests in investment grade securities with maturities of 10 years or less.

**High Income Opportunities** – A total return high-income debt strategy that invests in a broad universe of high-yield corporate debt and higher-yielding convertible securities.

**High Quality U.S. Corporate** – A strategy that seeks to achieve total return, consistent with preservation of capital and prudent investment management, through income earned on investments, plus capital appreciation, by investing in diversified portfolios of fixed-income U.S. corporate debt instruments.

**Intermediate Term Tax-Advantaged SMA** – A strategy that seeks tax-advantaged investment income, consistent with preservation of capital and prudent investment management by primarily investing in a broad range of U.S. dollar-denominated short and intermediate maturity, investment grade fixed income securities, including municipal bonds, corporate bonds, treasuries, agencies, mortgage-backed securities and asset-backed securities.

**Intermediate Term Taxable Bond SMA**– A strategy that seeks a high level of current income without undue risk to principal by investing primarily in a broad range of investment-grade debt securities.

**Preferred Securities** – A strategy that seeks to deliver total return through high current income and capital appreciation by primarily investing in issues of preferred and debt securities issued by U.S. and non-U.S. companies.

**Short Term Bond**– A strategy that primarily invests in a broad range of investment-grade debt securities that have a dollar-weighted average portfolio maturity of three years or less.

**Short Term Taxable Bond SMA** – A strategy that seeks to provide a high level of current income consistent with preservation of capital by investing in a broad range of investment-grade debt securities.

**Short Term Tax-Advantaged SMA** – A strategy that seeks tax-advantaged investment income, consistent with preservation of capital and prudent investment management by primarily investing in a broad range of U.S. dollar-denominated short and intermediate maturity, investment grade fixed income securities, including municipal bonds, corporate bonds, treasuries, agencies, mortgage-backed securities and asset-backed securities.

**U.S. Core Plus Fixed Income**– A primarily investment grade total return strategy that seeks preservation of capital and prudent investment management, through income earned on a broad universe of debt instruments, plus capital appreciation.

## 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 strategies 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 represents 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.

**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 assess credit risk and its potential impact on the strategy's 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.

Continuing uncertainty as to the status of the Euro and the European Monetary Union ("EMU") and the potential for certain countries to withdraw from the institution has created significant volatility in currency and financial markets generally. Any partial or complete dissolution of the EMU could have significant adverse effects on currency and financial markets, and on the values of the fund's portfolio investments.

**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, misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including denial-of-service attacks on systems or networks. 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 and respond to 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 are also continually becoming more complex and sophisticated. Therefore, no assurances can be made that the controls Calamos has in place will be adequate in protecting client data from either deliberate or inadvertent cyber breaches, including the risk that Calamos may not be able to 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.

**ESG Investing Risks:** When the investment process considers environmental, social and governance factors, the adviser may choose to avoid investments that might otherwise be considered, or sell investments due to changes in ESG risk factors as part of the overall investment decision process. The use of environmental, social and governance factors may impact investment exposure to issuers, industries, sectors, and countries, which may impact a portfolio's relative performance.

**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.

**Geographic Risk:** From time to time, based on market or economic conditions, certain strategies could invest a significant portion of its assets in one country or geographic region. If a strategy does so, there is a greater risk that economic, political, social and environmental conditions in that particular country or geographic region will have a significant impact on performance and performance will be more volatile than the performance of more geographically diversified accounts. The economies and financial markets of certain regions can be highly interdependent and could decline all at the same time. In addition, certain areas are prone to natural disasters such as earthquakes, volcanoes, droughts or tsunamis and are economically sensitive to environmental events. Alternatively, the lack of exposure to one or more countries or geographic regions could adversely affect performance.

**Growth Investing Risks:** Growth companies are generally more susceptible than established companies to market events and sharp declines in value. Additionally, growth stocks typically lack the dividend yield that can cushion stock prices in market downturns.

**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.

**Inactivity Risk:** CAL reviews client portfolios on a periodic basis, as described in greater detail in **Item 13** below. Depending on the results of those reviews, CAL may determine that changes to a client's portfolio are unnecessary. CAL will continue to charge its advisory fees described in **Item 5** above regardless of the level of trading in the client's account.

**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 rather 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 involve little or no margin deposit, therefore, providing 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 to: (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.

**Management Risks:** Calamos' judgment about the attractiveness, value and potential appreciation of a particular asset class or individual security in which a strategy invests may prove to be incorrect and there is no guarantee that the firm's judgment will produce the desired results.

**Market Risk:** The risk that securities will increase or decrease in value is considered market risk and applies to any security. The market value of your account is expected to fluctuate. 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. Further, securities may decline in value or not increase in value when the market in general is rising.

**Non-Diversification Risk:** Investments that are concentrated in one or few industries or sectors, or in particular systemic risk styles such a growth, value, momentum, large/small cap, etc. 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 companies or ETFs, 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 companies 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.

**Pandemic Risk:** The impact of epidemics and pandemics could greatly affect the economies of many nations including the United States, individual companies and the market(s). Pandemics may cause extreme volatility and disruption in both the U.S. and global markets causing uncertainty and risks to economic growth, etc. Health crises caused by the recent coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries and globally. Also, pandemics may result, as this outbreak of coronavirus has resulted, in closing borders, enhanced health screenings, healthcare service preparation and delivery, quarantines, cancellation of travel, disruptions to supply chains and customer activity, as well as general concern and uncertainty.

**Portfolio Turnover Risks:** Calamos may engage in frequent trading as part of our investment strategy and thus may experience a high portfolio turnover rate. When a portfolio experiences a high portfolio turnover rate you may realize significant taxable capital gains as a result, and the portfolio will incur transaction costs in connection with buying and selling securities, which may lower the portfolio's return.

**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. Clients that invest in Calamos Funds, UCITS or private funds should carefully read the relevant prospectus or offering memorandum for specific information applicable to that particular vehicle.

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

We are required to disclose any legal or disciplinary events that are material to your 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**, our firm is an investment adviser registered with the SEC and a wholly owned subsidiary of CILLC. Calamos is a diverse financial services organization. In some cases, affiliates of Calamos have business arrangements with related persons/companies that are material to Calamos' advisory business or to its clients. In some cases, these business arrangements create potential conflicts of interest, or the appearance of a conflict of interest between Calamos and a client. Calamos has policies and procedure in place to identify and mitigate such conflicts. In addition, Calamos has established a Conflict of Interest Committee, which has among its responsibilities the identification and mitigation of such conflicts of interest.

The following is a list of other related parties of the firm:

- **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 Advisors Trust** is a Massachusetts business trust registered under the 1940 Act.
- **Calamos Antetokounmpo Asset Management LLC**, a joint venture entity, is an investment adviser registered with the SEC. Calamos Advisors LLC is a joint venture partner.
- **Calamos Antetokounmpo Sustainable Equities Trust**, a Delaware statutory trust registered under the 1940 Act.
- **Calamos Ares Quant Fund I, LP** is a Delaware limited partnership whereby Calamos Advisors LLC serves as the Investment Manager and General Partner.
- **Calamos Asset Management, Inc.** is the sole manager of Calamos Investments LLC.
- **Calamos Convertible and High Income Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Convertible Opportunities and Income Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Dynamic Convertible and Income Fund** is a closed-end investment company registered under the 1940 Act.
- **Calamos ETF Trust** is a Delaware statutory trust registered under the 1940 Act.
- **Calamos Family Partners, Inc.** is a private firm in which John P. Calamos, Sr. owns a controlling interest.
- **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. Certain members of CAL's management team are registered representatives of Calamos Financial Services LLC.
- **Calamos Global Dynamic Income Fund** is a closed-end company registered under the 1940 Act.

- **Calamos Global Funds PLC** is an Ireland-domiciled open-end umbrella company organized as a UCITS that is in liquidation.
- **Calamos Global Opportunities Fund LP** is a Delaware limited partnership whereby Calamos Advisors LLC serves as the Investment Manager and General Partner.
- **Calamos Global Total Return Fund** is a closed-end company 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 Investment Trust** is a Massachusetts business trust registered under the 1940 Act.
- **Calamos Investments LLC** is a holding company. Through its subsidiaries, the firm provides investment management and distribution related services to its clients.
- **Calamos Investments LLP** is a United Kingdom based limited liability partnership that is in liquidation.
- **Calamos Long/Short Equity & Dynamic Income Trust** is a closed-end company registered under the 1940 Act.
- **Calamos Opis LLC** is a Delaware limited liability company formed to manage proprietary investments.
- **Calamos Partners LLC** is a Delaware limited liability company owned by Calamos Family Partners, Inc., and John S. Koudounis.
- **Calamos Private Equity LLC**, is a Delaware limited liability company wholly owned by Calamos Investments LLC and is a sister company to Calamos Advisors LLC.
- **Calamos Strategic Total Return Fund** is a closed-end company registered under the 1940 Act.
- **Calamos Wealth Management LLC** is a registered investment adviser that provides wealth management services, including asset allocation and investment advisory services, to high net worth individuals, family offices and private foundations.
- **CKPE Fund I, LLC**, is a private equity fund, owned by Calamos Private Equity LLC, John P. Calamos, Sr., and John Koudounis, with a focus on real estate asset investments.
- **Primacy Business Center LLC** is a Delaware limited liability company wholly-owned by Calamos Family Partners, Inc.

## INVESTMENT COMPANIES

Calamos serves as the investment adviser (or as otherwise indicated) to mutual funds and closed-end funds and investment manager to UCITS.

### Calamos Mutual Funds:

- Calamos Convertible
- Calamos Dividend Growth
- Calamos Evolving World Growth
- Calamos Global Convertible
- Calamos Global Equity
- Calamos Global Opportunities
- Calamos Global Sustainable Equities
- Calamos Growth
- Calamos Growth and Income

- Calamos Hedged Equity
- Calamos High Income Opportunities
- Calamos International Small Cap Growth
- Calamos International Growth
- Calamos Market Neutral Income
- Calamos Select
- Calamos Phineus Long/Short
- Calamos Short Term Bond
- Calamos Timpani Small Cap Growth
- Calamos Timpani SMID Growth
- Calamos Total Return Bond

#### **Calamos Closed-End Funds:**

- Calamos Dynamic Convertible and Income (CCD)
- Calamos Convertible Opportunities and Income (CHI)
- Calamos Convertible and High Income (CHY)
- Calamos Global Dynamic Income (CHW)
- Calamos Strategic Total Return (CSQ)
- Calamos Global Total Return (CGO)
- Calamos Long/Short Equity & Dynamic Income Trust (CPZ)

#### **UCITS:**

- Calamos Global Convertible Fund, a UCITS, and a sub-fund of GemCap Investment Funds (Ireland) PLC
- Calamos Growth and Income Fund, a UCITS, and a sub-fund of GemCap Investment Funds (Ireland) PLC

UCITS are not U.S. registered investment companies nor regulated by U.S. law and are not available to US residents.

Calamos may also serve as a sub-adviser to other unaffiliated mutual funds. While we do not believe these services create a material conflict of interest between the firm and its other clients, Calamos has adopted policies and procedures to mitigate and manage any such conflicts as described throughout this brochure.

#### **POOLED INVESTMENT VEHICLES**

The firm serves as the investment adviser to the Calamos Advisors LLC Master Group Trust Global Opportunities Trust (“Group Trust”), which is available to eligible qualified retirement plans and government plans that meet certain requirements. The fees are described in the investment management agreement between Calamos and the Group Trust.

Calamos serves as Investment Manager and General Partner to the Calamos Global Opportunities Fund Limited Partnership (the “LP”). Fees relating to the LP are further described in the Confidential Private Offering Memoranda.

Our firm serves as the Investment Manager and General Partner to the Calamos Ares Quant Fund I, LP. This private fund is not currently being offered to investors.

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

### CODE OF ETHICS & PERSONAL TRADING

Calamos has adopted a Code of Ethics and Insider Trading Policy (“Code of Ethics”) which sets forth high ethical standards of business conduct required of our employees, including compliance with applicable federal securities laws. Our firm and our personnel owe a duty of loyalty, fairness and good faith toward you, 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.

To mitigate the conflicts of interest caused by trading or other activities engaged in by our employees, our Code of Ethics requirements include the following controls:

- Employees and their household members must maintain their brokerage accounts at a limited number of brokerage firms approved by Compliance;
- Employees must receive written approval from Compliance prior to transacting in “reportable securities” (as defined under Investment Adviser Act Rule 204(A)-1 (pre-clearance required));
- Employees and their household members must provide to Compliance quarterly trade confirmations or statements and annual security holdings reports;
- Employee requests to trade a reportable security (excluding Broad-based Securities<sup>3</sup>) will generally be denied if a client traded in the same reportable security within the previous six business days. Trades in an amount less than \$10,000 in a 30 calendar day period in companies that have a market capitalization of at least \$100 billion are exempt from the prohibitions with respect to whether Calamos is trading the same or equivalent security for the accounts of its clients of this Code. (An exception to selling transactions in covered securities is applicable for a limited time when an employee begins employment with the firm);
- Employee trade requests will be denied if a security is on the restricted list;
- Employees must hold securities for a minimum holding period of 60 calendar days to reduce excess and short-term or speculative trading. The holding period may be waived if the security is trading at a 20% or greater loss from where the employee purchased the security;
- Employees must obtain Management and Compliance approval prior to engaging in any outside business activity and their proposed activity will be vetted to ensure it does not create a conflict of interest with our clients, or that the firm is in a position to mitigate and manage any such conflict;
- Gifts given or accepted by employees must be reported to Compliance;
- Entertainment provided or received by employees must be reported to Compliance;
- Employees may not participate in Initial Public Offerings (“IPOs”); and
- Employees are prohibited from using Material Non-Public Information (“MNPI”) either professionally or personally.

The Code is designed to seek to ensure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions that are in the best interest of advisory clients. The Code

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<sup>3</sup> A Broad-based Security generally refers to any security index that would not be classified as a narrow-based security index under the definitions or exclusions set forth in the Commodity Exchange Act and the Exchange Act or that meets certain criteria specified jointly by the U.S. Commodities Futures Trading Commission (“CFTC”) and the U.S. Securities and Exchange Commission. An example of a Broad-based Security is the S&P 500.

therefore restricts trading in close proximity to client trading and restricts personal trading of securities of which the firm is in possession of MNPI, as noted above.

Under unusual circumstances, such as a personal financial emergency, or when it is determined that no conflict of interest or other breach of duty is involved, application for an exemption from certain restrictions on trading (excluding pre-clearance and reporting requirements) under this Code may be made to the CCO, which application may be denied or granted in the CCO's discretion.

From time to time, Calamos receives MNPI. This is information that is not available to other investors or other confidential information which, if disclosed, would likely affect an investor's decision to buy, sell or hold a security. This information is received voluntarily and involuntarily and under varying circumstances including, but not limited to, upon execution of a non-disclosure agreement, as a result of serving on the board of directors of a company, serving on ad hoc or official creditor committees and participation in risk, advisory or other committees for various trading platforms and other market infrastructure related entities and organizations. Under applicable law, Calamos and its employees are generally prohibited from disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether that person is a client.

Direct obligations of the U.S. Government (US Treasury bills, notes and bonds), money market instruments (including commercial paper and repurchase agreements) shares of open-end mutual funds not advised or sub-advised by Calamos or units in 529 College Savings Plans have been designated as exempt securities under the Code and therefore the transactions are exempt in conjunction with the associated rules of the Code. Access Persons' trading is continually monitored under the Code to reasonably prevent conflicts of interest between Calamos employees and Calamos clients. All Access Persons must annually acknowledge their understanding of the terms of the Code.

Our Code of Ethics also includes provisions governing oversight, enforcement, and recordkeeping.

A copy of the Calamos Code of Ethics is available to you by contacting us at [caminfo@calamos.com](mailto:caminfo@calamos.com), or by calling us at 800-582-6959.

## **PARTICIPATING IN CLIENT TRANSACTIONS**

Calamos and its related parties may participate or have an interest in client transactions in one of several ways. For example, Calamos and its related parties may have positions or interests in equity or fixed-income securities, including shares of mutual Funds, closed-end funds, UCITS, pooled investment vehicles, and separately managed accounts in which its clients also are invested. Also, Calamos' officers and employees are encouraged to invest in Calamos products. Calamos' Mutual Funds are available to Calamos employees participating in the Calamos Investments 401k Profit Sharing Plan as an investment alternative and are available via a brokerage window. Calamos' aggregate fee revenues increase with purchases, by clients or others, of shares of these funds (mutual funds, closed-end funds, UCITS, and pooled investment vehicles).

From time to time, Calamos and its related parties invest in products (e.g. Calamos Mutual Fund) managed by Calamos to support the continued growth of those investment products and strategies. For example, Calamos or a related party may invest the initial investment capital in or "seed" a product and, as a result, hold a substantial proprietary interest in the product for a period of time after the product's inception. When consistent with the client's investment objectives, Calamos recommends to clients the purchase of these same investments in which Calamos or its employees or affiliates have a financial interest.

The Mutual Funds are generally sold to the public on a "load" basis involving the payment of commission to an intermediary. However, there are certain share classes that have no load or where the sales load is, or may be, waived by the Calamos Fund's Adviser. Calamos employees do not pay a sales load when purchasing Calamos open-end funds.

Calamos, its related parties and our employees have an incentive to favor the accounts in which we or they own a substantial interest. This conflict could result in our treating Calamos related accounts more favorably than other client accounts including in connection with the allocation of limited investment opportunities (such as IPOs) or the allocation of aggregated trade orders. In addition, Calamos' or a related party's disposition of such seed investment may adversely affect the price or liquidity of the product's shares.

With regard to its Mutual Fund investments, from time to time, Calamos or a related party may, for tax purposes, redeem a portion of its Mutual Fund holdings, reinvesting in shares of the same Mutual Fund shortly thereafter. These transactions are subject to the Mutual Funds' excessive trading policies and procedures and will only be consummated if they are determined not to be disruptive to the management of the Mutual Fund.

In determining whether trading is disruptive, consideration will be 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 the Mutual Fund may incur as a result of the trade. In addition, these transactions will not be made if Calamos or its affiliate, as the case may be, is aware of any MNPI with respect to the Mutual Fund.

Where we have an interest in a client transaction, we endeavor to make all investment decisions in our clients' best interests. In addition, pursuant to our policies and procedures, our transactions generally are aggregated with, or effected after, client orders and we are allocated investment opportunities on a pro rata basis with our clients. Further, we believe our and our employees' investments in Calamos products helps to ensure our interests are aligned with those of our clients.

Investments made by CAM, CILLC, CPL, 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. All other provisions of the Calamos Code of Ethics are otherwise applicable. See **Item 10** for a list of related parties or affiliates.

Calamos adopted policies and procedures designed to mitigate and manage these conflicts, including the following:

- All Calamos employees have a fiduciary responsibility to act in the best interest of our clients and to put our clients' interests in front of Calamos' interests;
- Trade Order Aggregation and Allocation policies and procedures:
  - that seek to manage, monitor and, to the extent possible, minimize the effects of these conflicts
  - designed to allocate investment decisions and trades fairly and equitably over time among client accounts participating in each transaction;
- Dispersion testing, wherein we review the performance of accounts with similar investment strategies to identify performance outliers;
- Cross-Trade Policy (see below for information on our Cross-Trade Policy);
- Conflicts of Interest Committee that seeks to ensure all conflicts are identified and policies and procedures have been implemented to manage and mitigate them; and
- Compliance reviews trading after the fact to seek to ensure procedures and controls are effective.

Please also refer to **Item 12** for additional information on trade order aggregation and allocation.

On occasion, Calamos may offer to a client a security (other than mutual funds, closed-end funds, UCITS, and pooled investment vehicles) that we are either: (i) considering transacting in; or (ii) hold in a related account. In those instances, Calamos will neither add to nor liquidate its position in the related account until our client transactions in that security are completed, as determined by our Head Trader. In other words, the clients' transactions will be completed prior to and take priority over Calamos' transactions.

Calamos will not charge additional advisory fees on client advisory assets invested in Calamos Mutual Funds.

## **CROSS-TRADES**

Calamos has adopted a Cross-Trade Policy to address potential conflicts that might arise from effecting trades between client accounts. This policy prohibits Calamos from purchasing or selling investments from or to clients for its own account and prohibits Calamos from effecting a trade between clients if one of the clients is an Employee Retirement Income Security Act of 1974 (“ERISA”) client. In addition, fixed income securities, including convertibles and securities that do not have readily available market quotations (as defined in Rule 2a-5 under the Investment Company Act of 1940) may not be “crossed”. The policy permits Calamos to effect cross trades between non-ERISA client accounts that are not mutual funds, subject to certain restrictions, including the requirements that:

- Each trade is effected at the independently determined current market price of the investment, based on readily available market quotations;
- Each trade effected is in the best interest of both clients;
- Calamos receives no compensation for effecting the trade.

The policy similarly permits Calamos to effect trades between its Mutual Funds, subject to restrictions, including the requirements that:

- The trade is effected in accordance with the mutual funds’ (1940 Act) Rule 17a-7 procedures and SEC guidance, including at the current market price of the investment, based on readily available market quotations; and
- No brokerage commission is charged on the trade.

## **Item 12: Brokerage Practices**

Calamos has established a Brokerage Practices Committee (the “Committee”), which has responsibility for:

- Approving broker-dealers through which trading for discretionary client accounts may be executed;
- Evaluating the performance of broker-dealers which shall include, among other things:
  - commission rates
  - execution services
  - reliability and coverage;
- Reviewing brokerage allocations;
- Reviewing and approving soft dollar arrangements; and
- Monitoring for best execution.

## **BROKERAGE SELECTION & BEST EXECUTION**

In approving a broker-dealer, Calamos will review relevant information about the broker-dealer, which may include some or all of the following:

- Financial condition;
- Reputation and integrity;
- Commission rates;
- Trading expertise;
- Facilities;
- Willingness and ability to commit capital;

- Access to underwriter offering and secondary markets;
- Reliability in trade execution and record retention;
- Fairness in resolving disputes;
- Financial services offered; and
- Value of research or other services provided.

If, after reviewing the broker-dealer's information, Calamos reasonably believes it will benefit our clients as an executing broker-dealer, the broker-dealer will be added to the Approved Broker-Dealer list that is maintained by the Head Trader.

Calamos has a duty to seek to obtain "best execution" of securities transactions for its clients. Calamos does not simply seek the lowest possible commission or cost but rather whether the transaction represents the best qualitative execution under all circumstances existing at the time of the trade. Calamos may select brokers and negotiate commissions based on research services as defined under Securities Exchange Act of 1934, as amended (the "Exchange Act") Section 28(e) and, pay a broker a higher commission in a transaction where Calamos believes doing so is reasonable in relation to its responsibilities to all accounts for which Calamos has investment discretion. Calamos may be motivated to use client commissions rather than paying for services at its own expense or to select a broker based on the services they provide rather than the quality of their execution. This also will cause a client to pay commissions that are higher than commissions charged by brokers who do not provide the benefits listed above. However, Calamos believes that in return for paying fair and reasonable commissions, our clients will benefit. Some clients that did not directly pay for the benefits also will gain.

When selecting a broker-dealer to execute a particular transaction, traders generally consider the full range of brokerage services including, but not limited to:

- Execution capabilities;
- Commission rate/all-in transaction cost;
- Financial responsibility;
- Responsiveness; and
- The value of any research provided.

The traders will also consider:

- The character of the market for the security;
- Size and type of transaction; and
- Number of primary markets.

Certain approved broker-dealers are also clients of Calamos or companies with which Calamos has other commercial dealings, which creates a conflict of interest. Calamos may be incented to favor these broker-dealers by directing trades to them. To mitigate or manage this risk, we have the following controls in place:

- Head Trader oversees trading and spot checks trades;
- Monitoring execution in our clients' portfolio transactions, including reviewing trades for best execution;
- If the commission rate exceeds a certain set amount, trades must be pre-approved by the Head Trader and then reported to Compliance along with the rationale for paying a higher rate;
- Head Trader uses third-party execution services to compare Calamos' execution rate to those achieved by peer firms; and
- The Brokerage Practices Committee reviews best execution.

## RESEARCH AND OTHER SOFT DOLLAR BENEFITS

As stated above, Calamos has an obligation to seek best execution for clients' transactions, and therefore to carefully utilize such commission dollars. Calamos believes using commission dollars for research and brokerage services is generally beneficial to clients; therefore, we will pay higher commissions to receive such research and brokerage services.

Calamos recognizes that while the acquisition of research and other services with client commission dollars can be valuable to any individual client, it also benefits Calamos and other Calamos clients, which creates a conflict of interest between Calamos and its clients. Section 28(e) under the Exchange Act provides a safe harbor permitting the use of client commissions to pay for certain "research" and "brokerage" products and services (these benefits received are referred to as soft dollars).

Soft dollar arrangements are permitted under Section 28(e) when certain conditions are met:

- Commission dollars are only used to obtain allowable brokerage or research services (as defined by Section 28(e) of the Exchange Act);
- Such brokerage or research must actually provide lawful and appropriate assistance in the performance of Calamos' investment decision-making responsibilities;
- Calamos must in good faith determine that the amount of commission paid is reasonable in relation to the value of the brokerage and research services provided;
- Only commissions in agency transactions may be used to obtain such services and riskless principal transactions in equity securities; and
- Calamos must have investment discretion over the account.

In fulfilling our investment advisory responsibilities, when Calamos believes more than one broker can offer the brokerage services needed to obtain the best available price and most favorable execution, we will consider selecting those brokers that also supply research and brokerage services to us. We believe such services provide a net benefit to our clients as a whole.

These research and brokerage products and services may include:

- Information on the economy, industries, groups of securities, or individual companies;
- Statistical information;
- Analysis of Company financials;
- Information on political developments;
- Macro market commentary;
- Pricing and appraisal services;
- Proxy and corporate action analysis;
- Credit analysis;
- Risk measurement analysis;
- Trade order management systems;
- Trade execution systems; and
- Analysis of corporate responsibility issues.

Research and brokerage products and services are provided to Calamos primarily in the form of:

- Written reports;
- Telephone contact;

- Personal meetings with security analysts;
- Access to various computer-generated data and computer software; and
- Meetings arranged with corporate and industry spokespersons, economists, academicians, and government representatives.

Certain research and brokerage products and services might also be used for functions that are not research or brokerage related. In such cases, the research or brokerage service or product has a mixed use. Where a product or service has a mixed use, Calamos will make a reasonable allocation of the cost of the product or service according to its use, and will pay for the non-research and brokerage function at its own expense (not using client commissions).

We will use various methodologies to determine this allocation including but not limited to the percentage of time the product or service is used for investment decision-making or the percentage of the function that is investment decision-making or research-oriented, as the case may be, but under all circumstances, the mixed use allocation will be made in good faith and documented consistent with our Brokerage Practices Policy and Section 28(e) of the Exchange Act.

Calamos participates in client commission arrangements (“CCAs”) under which we effect transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that aggregates these client monies and, with our oversight and approval, pays service providers of qualified research and brokerage. Calamos believes the CCAs, as well as the research provided in connection with such arrangements, comply with Section 28(e) of the Exchange Act, as interpreted by the SEC.

Further, Calamos believes participating in a CCA enables us to efficiently consolidate payments for qualified research and brokerage services through one or more channels. Using the accumulated client commissions (credits from transactions executed through multiple broker-dealers and electronic communication networks (“ECN”)), Calamos can then obtain qualified research and brokerage services provided by firms and vendors of its choice. Such arrangements also help to provide us with the continued receipt of research services while facilitating best execution in the trading process. In all cases, we believe such research and brokerage services are important to our investment decision-making.

When Calamos uses client brokerage commissions to obtain research and brokerage services, we receive benefits because we do not have to produce such products internally and we do not have to compensate third-party providers of the research using Calamos money. Therefore, such use of client brokerage commissions results in a conflict of interest because we have an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if these brokers do not offer the best price or commission rates for our clients.

Calamos has in place controls designed to mitigate or manage the conflicts described above, including:

- Brokerage Practices Committee review and approval of soft dollar arrangements;
- Periodic review of commission rates;
- Periodic review of our soft dollar process to determine in good faith that commissions used to acquire research products and services were reasonable relative to the value of the research and services received;
- Monitoring execution of transactions in our client’s portfolios, including reviewing trades for best execution; and
- Periodic review of mixed price allocations.

#### **CLIENT DIRECTED BROKERAGE**

Clients may request “directed brokerage” by instructing Calamos to send their trades to a specific broker. For example, certain institutional clients may direct Calamos to place all or a portion of their brokerage with brokers

who provide the client with certain services, such as performance monitoring and commission recapture. Where the client directs Calamos to use a specific broker, the client should understand that: (i) Calamos will not negotiate commissions on the client's behalf and that, as a result, the client may pay materially different commissions than paid by other clients depending on the client's commission arrangement with such broker; (ii) these accounts may not have their trades included in Calamos aggregated orders intended to reduce transactions costs or to otherwise negotiate commissions and, therefore, the client may pay a different brokerage commission than other clients of Calamos participating in such aggregated orders and may receive less favorable prices and execution; (iii) the client's transactions may not be executed until after Calamos executes transactions for accounts that do not direct brokerage; (iv) if Calamos was not directed to use such broker, the client may pay less in commissions; and (v) for the foregoing reasons, Calamos will not provide best execution assurances in accounts with directed brokerage.

Calamos must accept a request for directed brokerage before it will be effective. We have the right to deny your request to direct brokerage.

### **AGGREGATED TRADES**

Calamos, where permitted by its clients, seeks, but is not required, to aggregate ("bunch") client orders for all accounts under management – including Calamos' proprietary accounts or accounts in which Calamos, its affiliates, or their employees are beneficiaries. Aggregating or bunching orders for the same securities may be advantageous to clients because larger orders can have lower execution costs and reduce market impact.

All accounts participating in a bunched equity trade will typically receive the average price for all transactions executed for that order. For equity trades, all participating accounts share in the commission and other transactional costs on a pro rata basis. Fixed income and convertible trades are typically executed on a net basis – the dealers through whom Calamos executes client trades do not charge explicit commissions, or separately identifiable mark-ups and mark-downs, or spreads.

Portfolio management is primarily responsible for determining which accounts are eligible to be included in an aggregated order based upon whether the opportunity is consistent with the client's guidelines and restrictions, the client has available securities or assets to participate and portfolio management otherwise believes the trade is appropriate for the client. Additionally, a client or account cannot participate in an aggregated order unless the client or account permits its orders to be bunched with those of other Calamos clients. Any portfolio management decision to exclude an account from an aggregated transaction must be consistent with Calamos' fiduciary duty to the client.

To the extent that: (i) trades in a security for one or more clients (an "existing order") has not yet been completed; (ii) subsequent orders for that security are received; (iii) those subsequent orders are eligible for allocation; and (iv) an aggregated order (a "new aggregated order") is appropriate in accordance with these policies and procedures, the trading desk will (a) close out the existing order and allocate the portion that has been executed pro-rata among the participating accounts in the existing order, (b) create a new aggregated order encompassing the remaining, unexecuted portions of the existing order with the subsequent order and (c) send the new aggregated order to the market for execution.

#### **A. Pre-execution Allocation Statement and Duty to Seek Best Execution**

In general, the intended allocations to client accounts for each aggregated order must be documented prior to placement of such order. Portfolio management shall identify all Calamos client accounts intended to participate in a bunched order before the trade is sent to the trading desk for placement. Client identification is typically done on an account-by-account basis, but for ease in administration, accounts may be identified by type or on a general basis when there are numerous accounts included in a bunched order (e.g., growth accounts).

The Trading Desk is responsible for seeking best execution and monitoring the execution of each trade. The Trading Desk will allocate executed trades to the client accounts, as identified on the pre-execution allocation statement by Portfolio Management.

**B. Directed, Preferred and Restricted Accounts**

A client's brokerage arrangements can impact Calamos' determinations as to whether it is appropriate to include the client's account(s) in an aggregated order. Clients requesting or requiring Calamos to use a specified broker-dealer (e.g., client-directed accounts or accounts requesting the use of brokers that are Minority- or Women-Owned Business Enterprises<sup>4</sup>) whose brokerage arrangements are such that clients are benefitted by trading with a specified broker (e.g., wrap and UMA clients), as well as those prohibiting trading with particular broker-dealers, may not be able to participate in an aggregated trade. These accounts will be included if the bunched trade is executed through such "directed" or "preferred" broker-dealer, or the Trading Desk is permitted by the directed or preferred broker-dealer to execute the transactions with other brokerage firms, which then book the transaction directly with the directed broker (i.e., "trading away" or "step-out"). For preferred brokers, where Calamos has discretion to trade away, Calamos will do so when an aggregated order is placed with a brokerage firm other than the "directed" or "preferred" broker-dealer, only if Calamos determines that, based on the overall circumstances, it is in the client's interest and consistent with the client's request to include the account in such aggregated order. Orders not bunched will be placed in the market after the aggregated order is complete.

To avoid disadvantaging fully discretionary clients, restricted<sup>5</sup> account transactions, required to be executed separately, are typically placed in the market after the aggregated transaction for other Calamos clients is placed in the market and filled. As a result, a trade for a restricted account will be executed at a different point in time and price than the aggregated transaction.

**C. Account (or Portfolio) Trading for Cash Flows or Other Special Circumstances**

To accommodate a client's cash contribution or redemption request, or request to manage the flow of cash in the client's account (or portfolio), a trade or series of trades will generally be placed separately from aggregated trades for other Calamos clients involving the same security. Therefore, there will be time and price variances in comparison to the aggregated trade. The basis for excluding an account from an aggregated trade will be recorded on the Trade Ticket.

**ALLOCATION OF INVESTMENT OPPORTUNITIES**

When allocating investment opportunities among client accounts, Calamos seeks to treat clients fairly and equitably over time. Calamos has sought to design these policies and procedures to reasonably assure that no account for which Calamos has investment and brokerage discretion will systematically receive preferential treatment over any other discretionary account. Allocations of aggregated trades, particularly where trade orders were only partially completed due to limited availability (for example, initial public offerings), could raise a potential conflict of interest. To mitigate the potential conflicts between or among accounts in a strategy, Portfolio Management generally seeks to keep all client portfolios in the same strategy invested in the same securities with approximately the same weightings (subject to client-imposed restrictions and limitations). Nevertheless, investment opportunities may be allocated differently among accounts in a strategy due to the particular

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<sup>4</sup> Accounts for which clients specifically require Calamos to use a designated broker as opposed to merely "requesting" Calamos to use a particular broker, subject the seeking of best execution.

<sup>5</sup> A restricted account may also include an account that is liquidating or has investment prohibitions on certain individual securities.

characteristics of an account, such as size of the account, cash position, tax status, risk tolerance, investment guidelines, objectives and restrictions, brokerage arrangements or for other reasons.

In addition, there are instances where a particular security is held by, or appropriate for, more than one investment strategy due to the overlap of their investment universes; however, investment decisions for each strategy are made by the relevant investment team independently of investment decisions for another strategy in light of differing considerations.

Aggregated trades are allocated to the participating accounts at average execution price and trading costs.

#### Aggregated Orders and Order Rotation

Orders generally will be executed in the following order:

- a. First, “discretionary brokerage orders,” which will include orders for accounts that meet any of the following characteristics:
  - accounts that grant full brokerage discretion to Calamos, including the Calamos Funds;
  - accounts that have a preferred broker but where Calamos determines it to be in the best interest of the client to trade away from the preferred broker;
  - accounts that have a directed broker where trading away is permissible; and/or
  - accounts that have a directed brokerage if Calamos determines to trade its discretionary accounts through the directed broker.
- b. Next, accounts that have a directed or preferred brokerage and whose orders were not able to be executed with the discretionary brokerage orders.

With respect to trades in equity securities for directed or preferred brokerage accounts (including relevant separately managed wrap accounts), Calamos will use a rotation schedule allocating securities in accordance with a pre-determined order of priority until the entire order has been allocated and, for the next partial fill order, the Firm will begin with the next account on the list which had not received a prior fill.

On a daily basis, a rotation schedule is set by the Trading Desk to establish the order in which directed and preferred accounts will be executed for that day. New orders will be filled based on the rotation set on the day that the related trade ticket is received by the trading desk. If an execution takes more than one day to complete, each subsequent day’s rotation starts with the next account on the list from the prior day. For the next partial fill order, Calamos will begin with the next account on the list that had not received a prior fill.

- c. Last, instructions are communicated to Model Portfolio (and other non-discretionary) clients (as described below).

#### Communicating Related Advice to Model Portfolio Clients (and other Non-Discretionary Clients)

Calamos provides to third-party investment advisers Model Portfolios / Portfolio Emulation Services (“Model Portfolio”) for a fee. Model Portfolios contain Calamos’ current investment recommendations based on one of its investment strategies and other investment parameters as agreed to between Calamos and a third-party client or program sponsor for the client’s or sponsor’s use in advising its clients. Although Calamos provides recommendations, it does not have the authority or responsibility to implement those recommendations for any particular account. Rather, the client or third-party program sponsor, receiving the model and any updates to the model, controls all investment decisions and executes the securities transactions on behalf of its own account or for the accounts of its clients.

Regarding Model Portfolios, and as indicated above, Calamos will first implement investment recommendations for its discretionary accounts prior to communicating or delivering the Model Portfolio to the third-party program sponsor. However, where a position has been partially implemented by Calamos in its discretionary accounts at

the time of delivery of the Model Portfolio, such Model Portfolio will include that position(s) at the intended final weighting. As a result, any trades placed by the third-party sponsor for its clients based on the Model Portfolio could receive prices that are different than the prices obtained by Calamos for its discretionary accounts (including directed or preferred accounts). Model Portfolio information is delivered to each sponsor according to a schedule that is agreed upon between Calamos and that third-party program sponsor; provided that Calamos shall not be obligated to deliver a Model Portfolio at a specified date and/or time that would disadvantage or unfairly treat Calamos discretionary accounts.

## **METHOD OF ALLOCATION FOR PARTICULAR SECURITY TYPES**

### ***Equity Securities (other than IPOs)***

Generally, orders for equity securities, in the secondary market, will first be placed for discretionary clients (and other accounts that can be included in a discretionary brokerage order) and all partial fills will be allocated on a pro-rata basis based upon the original trade order for each participating account at the end of each trading day, unless deemed inappropriate by Calamos. Directed accounts and preferred brokerage accounts that cannot be included in the discretionary brokerage order will trade after all discretionary account orders are filled.

### ***Equity Initial Public Offerings***

Portfolio Management will inform all Portfolio Management teams of the ability to participate in an Initial Public Offering (“IPO”) with sufficient time for each Portfolio Management team to determine the eligibility and suitability of the accounts they manage. Calamos seeks to allocate IPOs among eligible accounts in a manner that is fair and equitable over time. Calamos seeks to allocate the purchase of the IPO on a pro-rata basis among accounts for which the IPO is appropriate, and for which the client is permitted, under FINRA Rule 5130, to participate. Wrap accounts do not participate in IPOs.

To promote fair and equitable allocations over time, each Portfolio Management team must indicate interest in an IPO prior to the pricing of the offering and identify those client accounts for which an allocation of the IPO would be permissible and appropriate in light of the accounts’ applicable investment policy statements or investment guidelines and restrictions, as applicable.

Participation in, and allocations of, IPOs are subject to the following:

- a. An account can be included in the indication of interest for the IPO only if: (i) the account is eligible to participate under FINRA Rule 5130; and (ii) Portfolio Management has been determined that the IPO is appropriate for the account in light of the account’s investment objectives and restrictions<sup>6</sup>;
- b. Allocations among accounts for which an indication of interest is entered will generally be made on a pro-rata basis in proportion to each account’s assets under management; and
- c. Where Calamos seeks to purchase an IPO for a strategy or account(s), with the intent of selling the security the same day in order to realize a short-term profit, and also seeks to acquire the IPO for another strategy or other account(s) for longer term investment, the accounts that are purchasing the IPO with the intention of investing will be fully allocated before any portion of the IPO is allocated to accounts for which Portfolio Management intends to sell in the short term.

### ***Convertible Securities***

Generally, all convertible security orders are aggregated, including directed and preferred (e.g., wrap) client account orders. If an order is partially filled, the securities will be allocated pro-rata across all accounts included on the order.

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<sup>6</sup> Wrap accounts do not participate in IPOs.

## ***Fixed Income Securities***

For fixed income securities, any bunched order that is not completely filled at the end of a trading day is generally allocated pro-rata by account, based upon: (i) the original trade order for each account, subject to de minimis<sup>7</sup> and rounding<sup>8</sup> considerations and specific considerations for allocations to accounts that seek to acquire and sell the newly issued bonds on a short-term basis for immediate gain<sup>9</sup>; (ii) where the order involves an exchange of a fixed income security for another security of the same issuer (an “exchange”)<sup>10</sup>; or (iii) where nature of the accounts or the transaction otherwise results in a determination to use a different method of allocation.

Prior to determining whether to include an account in an order and the type of allocation methodology used if there is a partial fill, Calamos will consider account-specifics (e.g. account minimums or intended holding periods) as well as transaction-specific factors (e.g. whether the transaction involves an exchange). These determinations are documented on the trade ticket.

### ***Exceptions to Allocations***

The allocation methodology may be modified when strict adherence to the methodology is impractical or would result in an inefficient or undesirable outcome in the view of Portfolio Management or the Head Trader. Circumstances where this may be the case include:

- where allocations to Calamos are small, Calamos may determine to allocate such securities to one or more accounts for which the allocations would be meaningful. Calamos will monitor such variations of or exceptions to the allocation methodology to ensure all clients are treated fairly and equitably over time;
- pro-rata amount does not meet the account minimum;
- the client would receive an unmarketable amount of securities based on account size;
- error; e.g. portfolio manager erroneously included an account to the allocation<sup>11</sup>;
- instrument typically trades in standard round lot size; or
- counterparty specifies a minimum lot size.

Portfolio Management’s request to change an allocation post trade requires the prior approval of the Head Trader (or in his absence the Chief Compliance Officer (“CCO”), or a member of the Legal Department).

The fact that an allocation has been modified, and the basis for modifying an allocation, will be disclosed within CRD on the Trade Ticket. The Head Trader must approve each instance that the allocation methodology is not followed. All modifications must be reported in writing to the CCO on a monthly basis and the Brokerage Practices Committee (“BPC”) at its next regularly scheduled meeting.

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<sup>7</sup> When Calamos receives bond allocations smaller than the allocations needed to fill all client orders, the allocation will generally be made pro-rata based upon the original trade order for each account. However, in order to serve the best interests of clients, Calamos endeavors to keep the blocks of bonds in marketable sizes while also considering client specific minimums.

<sup>8</sup> Rounding is generally carried out in increments of five bonds.

<sup>9</sup> As with Equity IPOs, accounts that seek newly issued bonds for investment purposes will be filled before accounts that seek to acquire and sell the newly issued bonds the same day in order to realize a short-term profit. Such accounts will be identified by the portfolio manager on the trade request ticket.

<sup>10</sup> When a bunched order is in connection with an exchange, accounts that held the fixed income security to be exchanged will [generally] be filled in their entirety and any remaining amount of a partially filled order will be allocated pro rata among participating accounts that did not hold such security.

<sup>11</sup> On trade date, to the extent there was an error in allocation resulting in a client not participating in an allocation, the excess shares or bonds will be allocated among the remaining clients on the trade, unless doing so would be inconsistent with a client’s investment objectives or restrictions or is deemed by the portfolio manager to be inadvisable. If the error is discovered after the trade date, it is treated as a trade error and handled in accordance with the Trade Error Policy.

With respect to allocations to accounts within a wrap or directed brokerage arrangement that are not included in a discretionary brokerage order, the wrap program sponsor or directed broker may implement its own allocation methodology.

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

Our investment team regularly monitors client accounts for consistency with client objectives and restrictions. Our Portfolio Administrators perform a periodic review of each client account. In these reviews, positions in client accounts are compared to the weights in the appropriate investment strategy model.

Calamos issues periodic written reports to its investment advisory clients. These written 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 on a timely basis and compare the statements that they receive from their independent qualified 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. We encourage you to follow up with us, as well as the custodian, for your account to understand any differences.

Because Calamos, not the custodian, calculates the amount of the advisory fees for your assets under management with us, it is important you carefully review your custodial statements to verify the accuracy of the calculation, among other things. Clients should contact Calamos directly if they believe that there may be an error in the calculation of their fees.

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

Calamos does not receive an economic benefit from anyone other than its clients.

Calamos and its affiliates may enter into Referral Agreements with a promoter such as a broker-dealer or an investment adviser. Calamos or its affiliates generally pay the promoter a percentage of the management fee and/or performance-based fee collected from the client. Regardless of how it is calculated, any such referral fee will be paid solely from Calamos' investment management fee and will not result in any additional charge to the client. See **Item 5** for additional information on advisory fees.

Calamos has entered 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 non-U.S. markets 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.

The firm has in place a promoter agreement with its affiliated limited purpose broker-dealer, CFS. The referral fees paid are equal to an estimate of the expenses incurred by the promoter to obtain such business. Any such arrangements will comply with Rule 206(4)-1 under the Investment Advisers Act of 1940, as amended.

### **Item 15: Custody**

Calamos serves as General Partner and investment adviser to Calamos Global Opportunities Fund Limited Partnership as well as Ares Quant Fund I, LP. As such, we are deemed to have custody of the assets invested in these funds. The funds' financials are audited by an independent public accounting firm and are issued to investors within 120 days of the fiscal year end. (As noted above, the Ares Quant Fund I, LP is not currently offered to investors.)

Calamos does not maintain physical custody of its clients' assets. Rather, as discussed previously, you must establish a custody account with an unaffiliated custodian. You should receive quarterly or monthly account statements from the broker-dealer, bank or financial services firm that serves as qualified custodian to your account. Clients should carefully review these statements. Clients who do not receive such account statements are encouraged to follow-up directly with their custodian and request such statements.

To the extent a client receives additional reports from Calamos, they are urged to compare these reports to the account statements they receive from the qualified custodian. Calamos' reports may vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies and other factors. Calamos' reports are not intended to be a substitute for account statements provided by a qualified custodian and should not be used for official purposes.

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

As noted in **Item 4**, Calamos accepts discretionary authority, via the Investment Management Agreement or other Power of Attorney, to manage the assets in the client's account. Calamos endeavors to follow reasonable directions, investment guidelines and limitations. This discretionary authority will remain in full force and effect until we receive written notice from you of its termination or until we receive actual notice of your death or adjudged incompetency.

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

##### **Proxy Voting**

Proxies are voted solely in the best interests of Calamos clients; namely, the Calamos Funds, separate account clients, and where employee benefit plan assets are involved, in the interests of the plan participants and beneficiaries (collectively, "Advisory Clients") that have properly delegated such responsibility to Calamos. Voting proxies on behalf of our clients is established by Calamos advisory contracts or comparable documents, and our proxy voting guidelines have been tailored to reflect these specific contractual obligations.

Calamos has assigned its administrative duties with respect to the proxy analysis and voting decisions to the "Proxy Group" (the Investment Team – research analysts and portfolio management), and administrative processing to its Corporate Actions Group within the Operations Department.

Calamos utilizes two vendors which provide distinct services relevant to Calamos' proxy duties: Glass Lewis and Broadridge. Glass Lewis facilitates the voting decision of each proxy in accordance with Calamos' proxy voting policies ("custom policies"). Calamos' custom policies include instances where a proposal must be presented to the Proxy Group for vote direction due to the unique nature of the transaction or proposal ("case by case" items).

Corporate Actions uses Broadridge's Proxy Edge to monitor and manage the proxy processes. Proxy Edge receives the voting decisions from Glass Lewis with which it uses to vote the ballots at the account/custodian level. Proxy Edge provides the record keeping, systematic voting, account administration and reporting for Calamos.

Calamos will generally follow its custom policies unless it determines that the client's interests are best served by voting otherwise or unless otherwise directed by the client.

Proxy Edge systematically votes shares based on Calamos' custom policies that are maintained within Glass Lewis. Any ballot that includes one or more "case by case" items will not be systematically voted. All items on this type of ballot are manually voted. Case by case items are sent to the Proxy Group along with the written guidance and other relevant information produced by Glass Lewis to assist with the Proxy Group's analysis.

Based on the instruction provided by the Proxy Group, the Corporate Actions Group will process the Calamos votes on Proxy Edge which will then vote each proxy accordingly.

Directors and employees of Calamos including the Proxy Group are sensitive to the possibility that their interests may conflict with the interests of Advisory Clients. Even while a proxy may involve an entity with which a relationship exists, generally the matters put to vote do not cause a conflict of interest between Calamos and the client.

Potential conflicts of interest are identified based upon analyses of client, broker and vendor lists, information periodically gathered from directors and officers, and information derived from other sources, including public filings relative to the matters for which the Company is seeking shareholder approval.

Calamos will generally apply its custom policies to proxy matters regardless if a conflict has been identified. However, in these situations, Corporate Actions will refer the matter, along with the recommended course of action by Calamos (based on its custom policies), if any, to its Proxy Review Committee, comprised of the representatives from the Proxy Group, Operations, Legal and Compliance departments, for evaluation. The Proxy Review Committee will independently review proxies, determine the appropriate action to be taken, which in limited circumstances includes sending the proxy directly to the relevant client with a recommendation regarding the vote for approval. To the extent the shares have been systematically voted and the Proxy Committee decides to vote differently than its custom policies, Corporate Actions will manually change the vote within Proxy Edge, if time permits.

It should be noted for the following strategies: Global Sustainable Equities, International Sustainable Equities and U.S. Sustainable Equities, there is a separate proxy policy in place. These ballots do not systematically vote.

There may be some instances when Calamos believes its client's best interest is served by abstaining or not voting certain proxies. Additional information is provided in the procedures. Clients may obtain a copy of our procedures by contacting us at [caminfo@calamos.com](mailto:caminfo@calamos.com), or by calling us at 800-582-6959.

You, the client, reserve the right to vote the proxies on your account(s) and you may do so by sending your custodian and Calamos a written request to update the proxy instructions on your account.

Calamos will not advise and will not act on a client's behalf in legal proceedings involving companies whose securities you hold in your account(s). This includes the filing of "Proofs of Claim" in class action settlements. Clients may direct us to transmit copies of class action notices to them or to a third party. We will make commercially reasonable efforts to forward such notices in a timely manner.

Calamos is not responsible for voting proxies we do not receive. However, we will make reasonable efforts to obtain missing proxies. Clients may request information on how proxies for his/her shares were voted by writing us at [caminfo@calamos.com](mailto:caminfo@calamos.com).

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

Calamos has no known financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients. In addition, we have never been the subject of a bankruptcy proceeding.