ADVENT CLAYMORE CONVERTIBLE SECURITIES & INCOME FUND
Form N-14 8C
April 12, 2018

As filed with the Securities and Exchange Commission on April 12, 2018
Securities Act File No. 333-__________

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM N-14
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933
Pre-Effective Amendment No.
Post-Effective Amendment No.
(Check appropriate box or boxes)

Advent Claymore Convertible Securities and Income Fund
(Exact Name of Registrant as Specified in Charter)
888 Seventh Avenue, 31st Floor, New York, New York 10019
(Address of Principal Executive Offices: Number, Street, City, State, Zip Code)
(212) 482-1600
(Area Code and Telephone Number)
Edward C. Delk, Secretary
888 Seventh Avenue, 31st Floor,
New York, New York 10019
(Name and Address of Agent for Service)

With copies to:
Kevin T. Hardy, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
155 North Wacker Drive
Chicago, Illinois 60606

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement

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CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered	Amount Being Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Common shares of beneficial interest $0.001 par value			$1,000,000	$124.50

(1) Estimated solely for the purpose of calculating the registration fee.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND II (“AGC”)
ADVENT/CLAYMORE ENHANCED GROWTH & INCOME FUND (“LCM”)
ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND (“AVK”)
888 Seventh Avenue, 31st Floor,
New York, New York 10019
(212) 482-1600

, 2018

Dear Shareholder:

You are cordially invited to attend a joint annual shareholder meeting (the “Meeting”) of Advent Claymore Convertible Securities and Income Fund II (“AGC”), Advent/Claymore Enhanced Growth & Income Fund (“LCM”) and Advent Claymore Convertible Securities and Income Fund (“AVK” and, together with AGC and LCM, the “Funds,” and each, a “Fund”), to be held at the offices of the Funds’ counsel, Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, 38th Floor, New York, New York 10036, on July 20, 2018 at 10:00 a.m. Eastern time. Before the Meeting, I would like to provide you with additional background information and ask for your vote on important proposals affecting the Funds, which are described in the enclosed Joint Proxy Statement/Prospectus.

Shareholders of AVK will be asked to consider the following proposals, which are described in the enclosed Joint Proxy Statement/Prospectus: (i) the merger of each of AGC and LCM into AVK, including the issuance of additional common shares of beneficial interest of AVK (each a “Merger”), and (ii) the election of the following Trustee nominees: Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class III Trustees, to serve until AVK’s 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

Shareholders of AGC will be asked to consider the following proposals, which are described in the enclosed Joint Proxy Statement/Prospectus: (i) the Merger of their Fund into AVK, and (ii) the election of the following Trustee nominees: Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class III Trustees, to serve until AGC’s 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

Shareholders of LCM will be asked to consider the following proposals, which are described in the enclosed Joint Proxy Statement/Prospectus: (i) the Merger of their Fund into AVK, and (ii) the election of the following Trustee nominees: Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class II Trustees, to serve until LCM’s 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

A Merger will be consummated if AGC’s or LCM’s shareholders approve the Merger applicable to their Fund and AVK’s shareholders approve that Merger.

The Board of Trustees of each Fund believes the proposals applicable to its respective Fund is in the best interests of that Fund and its shareholders and unanimously recommends that you vote “FOR” such proposals.

The enclosed materials explain these proposals in more detail, and I encourage you to review them carefully. As a shareholder, your vote is important, and we hope that you will respond today to ensure that your shares will be represented at the Meeting. You may vote using one of the methods below by following the instructions on your proxy card:

- By touch-tone telephone;
- By internet;
- By returning the enclosed proxy card in the postage-paid envelope; or
- In person at the Meeting.

If you do not vote using one of these methods described above, you may be contacted by AST Fund Solutions, our proxy solicitor, to vote your shares over the telephone.

As always, we appreciate your support.

Sincerely,
[Signature]
Tracy V. Maitland
Trustee, Chairman, President and
Chief Executive Officer of the Funds

Please vote now. Your vote is important.

To avoid the wasteful and unnecessary expense of further solicitation(s), we urge you to complete the enclosed proxy card, date and sign it and return it promptly in the postage-paid envelope provided, or record your voting instructions by telephone or via the internet, no matter how large or small your holdings may be. If you submit a properly executed proxy but do not mark how you wish your shares to be voted, your shares will be voted “FOR” each proposal, as applicable. If your shares are held through a broker, you must provide voting instructions to your broker about how to vote your shares in order for your broker to vote your shares as you instruct at the Meeting.

, 2018

IMPORTANT INFORMATION
FOR SHAREHOLDERS OF
ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND II ("AGC")
ADVENT/CLAYMORE ENHANCED GROWTH & INCOME FUND ("LCM")
ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND ("AVK")
QUESTIONS & ANSWERS

Although we urge you to read the entire Joint Proxy Statement/Prospectus, for your convenience we have provided a brief overview of some of the important questions concerning the issues to be voted on.

Q: Why am I receiving the enclosed Joint Proxy Statement/Prospectus?

A: The common shares of each Fund are listed on the New York Stock Exchange ("NYSE"), and each Fund's Agreement and Declaration of Trust and the rules of the NYSE require each Fund to hold an annual meeting of shareholders to elect Trustees each fiscal year. You are receiving the Proxy Statement/Prospectus as a holder of common shares of Advent Claymore Convertible Securities and Income Fund ("AVK" or the "Acquiring Fund"), Advent Claymore Convertible Securities and Income Fund II ("AGC") and/or Advent/Claymore Enhanced Growth & Income Fund ("LCM" and, together with AGC, each a "Target Fund" and, together with the Acquiring Fund, each a "Fund") in connection with the Funds' joint annual meeting of shareholders (the "Meeting").

At the Meeting, shareholders of the Funds will vote on the following proposals, which are described in the enclosed Joint Proxy Statement/Prospectus:

1. The Mergers of the Target Funds with the Acquiring Fund and the issuance of the Acquiring Fund's common shares.

Shareholders of AVK: You are being asked to consider the merger (each, a "Merger") of each Target Fund into the Acquiring Fund, including the issuance of additional common shares of beneficial interest of the Acquiring Fund.

Shareholders of AGC and LCM: You are being asked to vote on the merger of each of AGC and LCM, respectively, into the Acquiring Fund. The term "Combined Fund" will refer to AVK as the surviving Fund after a Merger or the Mergers.

A Merger will be consummated if a Target Fund's shareholders approve the Merger with respect to that Target Fund and the Acquiring Fund's shareholders approve the Merger with respect to that Target Fund. Each Merger is not contingent upon the approval of the other Merger. If a Merger is not consummated, then the Target Fund for which such Merger was not consummated would continue to exist and operate on a standalone basis.

2. The election of the Trustee nominees.

Shareholders of each of AVK and AGC: To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class III Trustees, to serve until the Fund's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified; and

Shareholders of LCM: To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class II Trustees, to serve until the Fund's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

3. To vote upon any other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Q: Why are the Mergers being recommended?

A: The Board of each Fund anticipates that the Mergers will benefit the shareholders of each Fund by providing the potential for:

- Continuity of the Funds' overall investment objectives and strategies along with similarity of Fund policies and related risks.
- A lower operating expense ratio than each of the Funds prior to the Mergers.
- Greater secondary market liquidity for the Combined Fund's common shares.
- Less risk of portfolio disruption from short-term activist shareholders, which benefits long term shareholders and facilitates the ability of the portfolio managers to focus on a Fund's investment objective.
- Larger fund size, which may provide efficiencies in portfolio management.
- Operating and administrative efficiencies from consolidation into the Combined Fund.

The Board of each Fund, including the Trustees who are not "interested persons" as defined in the Investment Company Act of 1940, as amended (the "1940 Act") (the "Independent Trustees"), approved the applicable Merger(s), concluding that the Merger(s) is in the best interests of its Fund and that the interests of existing common shareholders will not be diluted as a result of the Merger(s). Each Board's conclusion was based on each Trustee's business judgment after consideration of a range of materials and factors believed to be relevant by the Board taken as a whole with respect to its Fund and the Fund's common shareholders, although individual Trustees have placed different weight on various factors and assigned different degrees of materiality to various factors.

Because the shareholders of each Fund will vote separately on its respective Merger, there are multiple potential combinations of Mergers. The Board of each Fund as well as Fund management believe that the most likely result of the potential combinations of Mergers is the combination of all three Funds. To the extent that the Merger of one Target Fund is not completed, but the Merger of the other Target Fund is completed, any expected benefits (including estimated expense savings) expected to be realized by the Combined Fund may be reduced or may not be realized.

The Board considered that either Merger of a single Target Fund into the Acquiring Fund would also result in a reduction in Total Expense Ratio of each participating Fund, although the level of expenses savings may not be as great as in the case of a Merger of all three Funds. Based on their consideration of a Merger of each Target Fund, the Board approved the Merger of either Target Fund into AVK, even if the Merger of the other Target Fund is not completed.

Q: How do the investment objectives and policies of the Funds compare?

A: Each Fund has similar (but not identical) investment policies. Each Fund emphasizes investments in convertible securities and non-convertible income-producing securities, combined with a strategy of writing (selling) covered call options on a portion of the securities held in the Fund's portfolio, thus generating option writing premiums.

Currently, AGC's and AVK's investment objective is, and the Combined Fund's investment objective will be, to provide total return through a combination of capital appreciation and current income. LCM's primary investment objective is to seek current income and current gains from trading in securities, with a secondary objective of long-term capital appreciation.

Under normal market conditions, AGC and AVK invest, and the Combined Fund will invest, at least 80% of its Managed Assets (as defined below) in a diversified portfolio of convertible and non-convertible income-producing securities with at least 30% of its Managed Assets in convertible securities and up to 70% of its Managed Assets in non-convertible income-producing securities. Under normal market conditions, LCM invests at least 40% of its Managed Assets in a diversified portfolio of equity securities and convertible securities of U.S. and non-U.S. issuers, and may invest up to 60% of its Managed Assets in non-convertible high-yield securities. The Target Funds are currently managed with a greater emphasis on foreign securities than AVK, including securities of issuers based in emerging markets, and have historically had a greater percentage of their assets invested in international markets and in the securities of non-U.S. issuers. Accordingly, the Target Funds are more susceptible to risks associated with such issuers and markets than AVK. As of October 31, 2017, approximately 30% of the Managed Assets of AGC, approximately 34% of the Managed Assets of LCM and approximately 13% of the Managed Assets of AVK were invested in foreign securities. As a result, on a pro forma basis as of October 31, 2017, approximately 20% of the Managed Assets of the Combined Fund would consist of foreign securities. Fund management believes that, under current market conditions, such an allocation to foreign securities is appropriate for the Combined Fund.

In the event a Merger is consummated, the Combined Fund will operate pursuant to the investment policies of AVK. See "Comparison of the Funds" in the Joint Proxy Statement/Prospectus for a comparison of the Funds' investment objectives and significant investment strategies and operating policies.

Q: Will any of the Acquiring Fund's investment policies change?

A: No fundamental investment policies (which are policies that may be changed only with the approval of shareholders) of AVK will change. AVK can acquire and hold all of the investments of the Target Funds in accordance with its existing investment policies. Currently, AVK and LCM are permitted to invest without limitation in illiquid securities, whereas AGC does not intend to invest more than 15% of its Managed Assets in illiquid securities (other than Rule 144A Securities). As of October 31, 2017, none of the assets of any Fund were invested in illiquid securities. Upon completion of the Mergers, AVK will adopt a non-fundamental investment policy not to invest more than 20% of its Managed Assets in illiquid securities.

Q: How does the management of the Funds compare?

A: Each Fund is overseen by a Board of Trustees of each Fund (each, a "Board" and, collectively, the "Boards"), comprised of the same members, and by the same officers. Advent Capital Management, LLC ("Advent") serves as investment adviser to AVK and investment manager to AGC and LCM. In such roles, Advent is responsible for making investment decisions with respect to the investment of each Fund's assets. Guggenheim Funds Distributors, LLC ("GFD") serves as servicing agent to AVK. Guggenheim Funds Investment Advisers, LLC ("GFIA"), an affiliate of GFD, serves as investment adviser to AGC and LCM. Advent, GFD and GFIA are sometimes referred to herein as "Fund management" or the "Management Entities."

Tracy V. Maitland, Chief Investment Officer and President of Advent, and Paul Latronica, Managing Director and Director of Trading of Advent, serve as portfolio managers of each Fund and are primarily responsible for the day-to-day management of the Fund's portfolio. Mr. Maitland and Mr. Latronica are supported by teams of investment professionals. Mr. Maitland and Mr. Latronica will continue to serve as portfolio managers of the Combined Fund. As a result, each Fund's shareholders are expected to benefit from the continuing experience and expertise of the portfolio management team.

Q: How will the Mergers affect the fees and expenses of the Funds?

A: The Total Expense Ratio (a Fund's annual operating expenses expressed as a percentage of its average net assets attributable to its common shares) of each Fund for the 12-month period ended October 31, 2017 and the Total Expense Ratio for the Combined Fund on a pro forma basis for the 12-month period ended October 31, 2017, reflecting estimated expense savings resulting from the consolidation of certain Fund operations, are as follows:

Total Expense Ratio (Including Interest Expense)

AGC	LCM	AVK	Pro Forma Combined Fund (AGC into AVK)	Pro Forma Combined Fund (LCM into AVK)	Pro Forma Combined Fund (Both Target Funds into AVK)
3.49%	2.87%	2.72%	2.64%	2.67%	2.63%

If the Mergers had taken place on the first day of the 12-month period ended October 31, 2017, the Funds estimate that the completion of the Mergers (assuming Mergers of both Target Funds into AVK) would have resulted in a reduction in Total Expense Ratio (Including Interest Expense) of 0.86% for AGC, 0.24% for LCM and 0.09% for the Acquiring Fund. There can be no assurance that future expenses will not increase or that any estimated expense savings for any Fund will be realized.

Each Fund is permitted to utilize leverage to the maximum extent permitted under the 1940 Act. However, AVK, AGC and the pro forma Combined Fund each utilize similar levels of leverage, as a percentage of their Managed Assets, whereas LCM utilizes a lower level of leverage. Cost of leverage can vary across Funds based on factors such as asset mix and the timing of when leverage was incurred and corresponding market rates. In addition, a Fund that utilizes greater leverage will incur more interest expense and will pay a greater management fee, as a percentage of net assets attributable to common shares, because the management fee is calculated as a percentage of Managed Assets. Therefore, in evaluating the Mergers, the Board also considered the Total Expense Ratios (Excluding Interest Expense) of each Fund for the 12-month period ended October 31, 2017 and the Total Expense Ratio (Excluding Interest Expense) for the Combined Fund on a pro forma basis for the 12-month period ended October 31, 2017 as follows:

Total Expense Ratio (Excluding Interest Expense)

AGC	LCM	AVK	Pro Forma Combined Fund (AGC into AVK)	Pro Forma Combined Fund (LCM into AVK)	Pro Forma Combined Fund (Both Target Funds into AVK)
2.09%	2.06%	1.49%	1.45%	1.48%	1.44%

If the Mergers had taken place on the first day of the 12-month period ended October 31, 2017, the Funds estimate that the completion of the Mergers (assuming Mergers of both Target Funds into AVK) would have resulted in a reduction in Total Expense Ratio (Excluding Interest Expense) of 0.65% for AGC, 0.62% for LCM and 0.05% for the Acquiring Fund. There can be no assurance that future expenses will not increase or that any estimated expense savings for any Fund will be realized.

Finally, the Board noted that as a result of tender offers conducted by the Funds in 2017, which decreased each Fund's assets, and recent leverage refinancings by each Fund, which preceded the pending expiration or non-renewal of their prior leverage arrangements and increased the costs of leverage as a result of increases in market interest rates, the Total Expense Ratios for the 12-month period ended October 31, 2017 may not be indicative of the future expenses of the Funds. Therefore, the Board requested, and Fund management provided, projected expenses based on the assets of each Fund as of October 31, 2017 (which reflects the impact on Fund assets of each Fund's tender offers) and the costs of leverage as of February 9, 2018 (which reflects the impact on costs of leverage of each Fund's leverage refinancing), as follows:

(Projected Total Expense Ratio Including Interest Expense)

AGC	LCM	AVK	Pro Forma Combined Fund (AGC into AVK)	Pro Forma Combined Fund (LCM into AVK)	Pro Forma Combined Fund (Both Target Funds into AVK)
4.53%	3.84%	3.80%	3.61%	3.65%	3.60%

The Board noted that based on these projections, the completion of the Mergers (assuming Mergers of both Target Funds into AVK) would result in a reduction in the Total Expense Ratio (Including Interest Expense) of 0.93% for AGC, 0.24% for LCM and 0.20% for the Acquiring Fund. Actual expenses of the Funds may be

more or less than these projections, and there can be no assurance that future expenses will not increase or that any estimated expense savings for any Fund will be realized.

Q: How do the management fee rates of the Funds compare?

The contractual investment management, advisory and/or servicing fees (collectively, "Management and Servicing Fees") of the Combined Fund will be identical to those of AVK, which are lower than those of AGC or LCM. The following table sets forth each Fund's Management and Servicing Fees as a percentage of Managed Assets of the Fund. "Managed Assets" means the total assets of a Fund minus the sum of the accrued liabilities (other than the aggregate indebtedness constituting financial leverage).

	AGC	LCM	AVK	Combined Fund
GFIA Advisory Fee	0.40%	0.49%	N/A	N/A
GFD Servicing Fee	N/A	N/A	0.21%	0.21%
Advent Management Fee	0.60%	0.51%	0.54%	0.54%
Total Management and Service Fees	1.00%	1.00%	0.75%	0.75%

Q: What happens if shareholders approve the Merger of one Target Fund but do not approve the Merger of the other Target Fund?

A: An unfavorable vote on a proposed Merger by the shareholders of one Target Fund or the Acquiring Fund will not affect the implementation of the Merger of the other Target Fund if the other Merger is approved by the shareholders of each of the Acquiring Fund and the other Target Fund.

If the Merger of a Target Fund is not approved, that Target Fund would continue to operate as a separate fund. In such event, Fund management may recommend alternative proposals to the Board and the Board may also consider other strategic alternatives for that Target Fund.

Q: How will the Mergers be effected?

A: Assuming shareholders of each Fund approve the Mergers of the Target Funds, each Target Fund will merge directly with and into the Acquiring Fund. Each Target Fund will terminate its registration under the 1940 Act after the completion of its Merger.

Shareholders of the Target Funds: You will become shareholders of the Acquiring Fund. You will receive newly issued common shares of the Acquiring Fund, par value $0.001 per share, the aggregate NAV (not the market value) of which will equal the aggregate NAV (not the market value) of the common shares of the particular Target Fund you held immediately prior to such Merger, less the applicable costs of the Merger (though you may receive cash for fractional shares).

Shareholders of the Acquiring Fund: You will remain shareholders of the Acquiring Fund, which will have additional common shares outstanding after the Mergers. The aggregate NAV of the common shares you held immediately prior to the Merger, less the applicable costs of the Mergers will not change as a result of the Mergers.

Q: Have common shares of the Funds historically traded at a premium or discount?

A: The common shares of each Fund have historically traded at a discount. As of March 19, 2018, each Fund traded at a discount to its respective NAV, as follows:

	AGC	LCM	AVK
Market Price	$5.70	$8.08	$15.53
Net Asset Value	$6.44	$9.05	$17.37
Discount	(11.49)%	(10.72)%	(10.59)%

To the extent a Target Fund is trading at a wider discount (or a narrower premium) than AVK at the time of its Merger, such Target Fund shareholders would have the potential for an economic benefit by the narrowing of the discount/premium. To the extent a Target Fund is trading at a narrower discount (or wider premium) than

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the Acquiring Fund at the time of its Merger, such Target Fund shareholders may be negatively impacted if the Merger is consummated. Acquiring Fund shareholders would only benefit from a discount perspective to the extent the post-Merger discount (or premium) improves. There can be no assurance that, after the Mergers, common shares of the Combined Fund will trade at, above or below NAV. In the Mergers, shareholders of each Target Fund will receive common shares of the Acquiring Fund based on the relative NAVs (not the market values) of each respective Fund's common shares. The market value of the common shares of the Combined Fund may be less than the market value of the common shares of your Fund prior to the Mergers.

Q: Will I have to pay any sales load, commission or other similar fees in connection with the Mergers?

A: No. There are no sales loads or commissions in connection with the Mergers.

Q: Who will bear the expenses of the Mergers?

A: Regardless of whether the Mergers are completed, the costs associated with the proposed Mergers, including the costs associated with the Meeting, will be borne by the Funds. Each Fund will incur a portion of the total costs of the Mergers in proportion to each Fund's estimated expense savings, based on the reduction in Total Expense Ratio (Excluding Interest Expense) on a pro forma basis for the 12-month period ended October 31, 2017. The total costs of the Mergers are estimated to be approximately $1,085,000, of which approximately $679,000 would be borne by AGC, approximately $305,000 would be borne by LCM and approximately $101,000 would be borne by AVK.

Because each Fund has already incurred expenses attributable to the Merger(s), as applicable, and because the Funds are responsible for paying those expenses, if each Fund's respective shareholders do not approve their Fund's respective Merger(s), as applicable, such Fund will continue to be responsible for the expenses already incurred arising from its proposed Merger(s), as applicable, even though its proposed action will not occur and those expenses may be material. Neither the Funds nor the Management Entities will pay any expenses of shareholders arising out of or in connection with the Mergers (e.g., expenses incurred by the shareholder as a result of attending the Meeting, voting on the Mergers or other action taken by the shareholder in connection with the Mergers). The actual costs associated with the proposed Mergers may be more or less than the estimated costs discussed herein.

Q: Will I have to pay any U.S. federal taxes as a result of the Mergers?

A: Each of the Mergers is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code. If a Merger so qualifies, in general, common shareholders of a Target Fund will recognize no gain or loss for U.S. federal income tax purposes upon the exchange of their Target Fund common shares for Acquiring Fund common shares pursuant to the Merger (except with respect to cash received in lieu of fractional shares). Additionally, the Target Fund will recognize no gain or loss for U.S. federal income tax purposes by reason of the Merger. Neither the Acquiring Fund nor its shareholders will recognize any gain or loss for U.S. federal income tax purposes pursuant to any Merger.

On or prior to the closing date of the Mergers (the "Closing Date"), each of the Target Funds will declare a distribution to its shareholders that, together with all previous distributions, will have the effect of distributing to each respective Target Fund's shareholders all of its investment company taxable income (computed without regard to the deduction for dividends paid), if any, through the Closing Date, all of its net capital gains, if any, through the Closing Date, and all of its net tax-exempt interest income, if any, through the Closing Date. Such a distribution will generally be taxable to each Target Fund's shareholders for U.S. federal income tax purposes.

The Funds' shareholders should consult their own tax advisers regarding the U.S. federal income tax consequences of the Mergers, as well as the effects of state, local and non-U.S. tax laws, including possible changes in tax laws. See "Proposal 1: The Mergers of the Target Funds with the Acquiring Fund—U.S. Federal Income Tax Consequences of the Mergers" in the enclosed Joint Proxy Statement/Prospectus for additional information.

Q: When are the Mergers expected to occur?

A: Subject to the necessary shareholder approvals discussed above, it is anticipated that the Mergers will occur in the third quarter of 2018.

Q: How does the Board of my Fund suggest that I vote?

A: After careful consideration, the Board of your Fund unanimously recommends that you vote "FOR" each of the Merger(s) applicable to your Fund.

Proposal 2: Election of Trustee Nominees

Q: In light of the Merger Proposals, why are the shareholders of the Target Funds being asked to elect Board members for the Target Fund?

A: The terms of two members of each Target Fund's Board of Trustees expire at the 2018 annual meeting of shareholders. In the event a Merger is not completed, shareholders are being asked to elect the Trustee nominees to provide for such Target Fund's continuing operation.

Q: How does the Board of my Fund suggest that I vote?

A: After careful consideration, the Board of your Fund unanimously recommends that you vote "FOR" each of the nominees of the Board of your Fund. The Board has reviewed the qualifications and backgrounds of the Board's nominees for each Fund and believes that they are experienced in overseeing investment companies and are familiar with the Funds, their investment strategies and operations and the investment advisor and investment manager of the Funds. The Board has approved the nominees named in this Proxy Statement/Prospectus and believes their election is in your best interests as shareholders.

Miscellaneous Matters

Q: Who is eligible to vote?

A: Shareholders of record of each Fund at the close of business on April 17, 2018 (the "Record Date") are entitled to be present and to vote on the applicable Proposal at the Meeting or any adjournments, postponements or delays thereof. Each common share is entitled to one vote on each Proposal on which holders of those common shares are entitled to vote. Common shares represented by duly executed proxies will be voted in accordance with your instructions.

Q: Will my vote make a difference?

A: Yes! Your vote is important and could make a difference in the governance of the Fund(s), no matter how many shares you own.

Q: Who is asking for my vote?

A: The enclosed proxy card is solicited by the Board of each Fund for use at the Meeting to be held on Friday, July 20, 2018, and, if the Meeting is adjourned, postponed or delayed, at any later meetings, for the purposes stated in the Notice of Joint Annual Meeting of Shareholders.

Q: How do I vote my proxy?

A: You may cast your vote by mail, phone, internet or in person at the Meeting. To vote by mail, please mark your vote on the enclosed proxy card and sign, date and return the card in the postage-paid envelope provided. If you choose to vote by phone or internet, please refer to the instructions found on the proxy card accompanying this Joint Proxy Statement/Prospectus. To vote by phone or internet, you will need the "control number" that appears on the proxy card.

All common shares represented by properly executed proxies received prior to the Meeting will be voted at the Meeting in accordance with the instructions marked thereon or otherwise as provided therein. If you sign the proxy card, but don't fill in a vote, your common shares will be voted in accordance with the Board's recommendation. If any other business is brought before the Meeting, your common shares will be voted at the proxies' discretion.

Shareholders who execute proxy cards or record their voting instructions via telephone or the Internet may revoke them at any time before they are voted by filing with the Secretary of the Funds a written notice of revocation, by delivering (including via telephone or the Internet) a duly executed proxy bearing a later date or by attending the Meeting and voting in person. Merely attending the Meeting, however, will not revoke any previously submitted proxy.

Broker-dealer firms holding common shares of a Fund in "street name" for the benefit of their customers and clients will request the instructions of such customers and clients on how to vote their common shares on the Proposals before the Meeting. The Funds understand that, under the rules of the NYSE, the Proposals are not "routine" matters and shareholder instructions are required for broker-dealers to vote a beneficial owner's shares. Broker-dealers who are not members of the NYSE may be subject to other rules, which may or may not permit them to vote your common shares without instruction. We urge you to provide instructions to your bank, broker or other nominee so that your votes may be counted.

Q: What vote is required to approve the Mergers?

A: Shareholder approval for each proposal requires the affirmative vote of a "majority of the outstanding voting securities" as defined under the 1940 Act (such a majority referred to herein as a "1940 Act Majority") of the applicable Fund. A 1940 Act Majority means the affirmative vote of either (i) 66 % or more of the voting securities present at the Meeting, if the holders of more than 50% of the outstanding voting securities of the Fund are present or represented by proxy, or (ii) more than 50% of the outstanding voting securities of the Fund, whichever is less. For additional information regarding voting requirements, see "Voting Information."

Q: What vote is required to elect a Trustee nominee?

A: The affirmative vote of a majority of the common shares present in person or represented by proxy and entitled to vote on the matter at the Meeting at which a quorum is present is necessary to elect a Trustee nominee. For additional information regarding voting requirements, see "Voting Information."

Q: Whom do I contact for further information?

A: You may contact your financial advisor for further information. You may also call AST Fund Solutions, the Funds' proxy solicitor, at (888) 542-7446. Representatives are available Monday through Friday, 9 a.m. to 10 p.m. Eastern time.

Q: How do I Attend the Meeting?

A: If you wish to attend the Meeting and vote in person, you will be able to do so. If you intend to attend the Meeting in person and you are a record holder of a Fund's common shares, in order to gain admission you must show photographic identification, such as your driver's license. If you intend to attend the Meeting in person and you hold your common shares through a bank, broker or other custodian, in order to gain admission you must show photographic identification, such as your driver's license, and satisfactory proof of ownership of common shares of a Fund, such as your voting instruction form (or a copy thereof) or broker's statement indicating ownership as of a recent date. If you hold your common shares in a brokerage account or through a bank or other nominee, you will not be able to vote in person at the Meeting unless you have previously requested and obtained a "legal proxy" from your broker, bank or other nominee and present it at the Meeting. You may contact the Funds' proxy solicitor at (888) 542-7446 to obtain directions to the site of the Meeting.

Please vote now. Your vote is important.

To avoid the wasteful and unnecessary expense of further solicitation(s), we urge you to complete the enclosed proxy card, date and sign it and return it promptly in the postage-paid envelope provided, or record your voting instructions by telephone or via the internet, no matter how large or small your holdings may be. If you submit a properly executed proxy but do not mark how you wish your shares to be voted, your shares will be voted "FOR" each proposal, as applicable. If your shares are held through a broker, you must provide voting instructions to your broker about how to vote your shares in order for your broker to vote your shares as you instruct at the Meeting.

ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND II ("AGC")
ADVENT/CLAYMORE ENHANCED GROWTH & INCOME FUND ("LCM")
ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND ("AVK")
888 Seventh Avenue, 31st Floor,
New York, New York 10019
(212) 482-1600

NOTICE OF JOINT ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 20, 2018

Notice is hereby given that a joint annual meeting of shareholders (the "Meeting") of Advent Claymore Convertible Securities and Income Fund II ("AGC"), Advent/Claymore Enhanced Growth & Income Fund ("LCM" and, collectively with AGC, the "Target Funds") and Advent Claymore Convertible Securities and Income Fund ("AVK" or the "Acquiring Fund" and, collectively with the Target Funds, each, a "Fund") will be held at the offices of the Funds' counsel, Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, 38th Floor, New York, New York 10036, on July 20, 2018 at 10:00 a.m. Eastern time for the following purposes:

1. The Mergers of the Target Funds with the Acquiring Fund.

Shareholders of AGC:

Proposal 1(A): Approval of the Agreement and Plan of Merger between AGC and the Acquiring Fund (the "AGC Merger Agreement"), including the termination of AGC's registration under the Investment Company Act of 1940 (the "1940 Act").

Shareholders of LCM:

Proposal 1(B): Approval of the Agreement and Plan of Merger between LCM and the Acquiring Fund (the "LCM Merger Agreement," and together with the AGC Merger Agreement, each, a "Merger Agreement"), including the termination of LCM's registration under the 1940 Act.

Shareholders of AVK:

Proposal 1(C): Approval of the AGC Merger Agreement, including the issuance of additional common shares of the Acquiring Fund.

Proposal 1(D): Approval of the LCM Merger Agreement, including the issuance of additional common shares of the Acquiring Fund.

2. The election of the Trustee nominees.

Shareholders of AGC and AVK:

Proposal 2(A): To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class III Trustees, to serve until AGC's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

Shareholders of LCM:

Proposal 2(B): To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class II Trustees, to serve until LCM's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

3. To vote upon any other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Shareholders of record as of the close of business on April 17, 2018 are entitled to vote at the Meeting or any adjournment, postponement or delay thereof.

THE BOARD OF TRUSTEES OF EACH OF THE FUNDS (EACH, A "BOARD") RECOMMENDS THAT YOU VOTE YOUR SHARES BY INDICATING YOUR VOTING INSTRUCTIONS ON THE ENCLOSED PROXY CARD, DATING AND SIGNING SUCH PROXY CARD AND RETURNING IT IN THE ENVELOPE PROVIDED, WHICH IS ADDRESSED FOR YOUR CONVENIENCE AND NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES, OR BY RECORDING YOUR VOTING INSTRUCTIONS BY TELEPHONE OR VIA THE INTERNET.

THE BOARD OF AVK UNANIMOUSLY RECOMMENDS THAT YOU CAST YOUR VOTE:

- FOR THE MERGER OF EACH TARGET FUND INTO AVK PURSUANT TO EACH MERGER AGREEMENT BETWEEN THE ACQUIRING FUND AND A TARGET FUND, INCLUDING THE ISSUANCE OF ADDITIONAL COMMON SHARES OF THE ACQUIRING FUND.
- FOR THE ELECTION OF EACH OF THE TRUSTEE NOMINEES FOR AVK.

THE BOARD OF AGC UNANIMOUSLY RECOMMENDS THAT YOU CAST YOUR VOTE:

- FOR THE MERGER OF AGC INTO AVK PURSUANT TO THE AGC MERGER AGREEMENT AS DESCRIBED IN THE JOINT PROXY STATEMENT/PROSPECTUS, INCLUDING THE TERMINATION OF AGC'S REGISTRATION UNDER THE 1940 ACT.
- FOR THE ELECTION OF EACH OF THE TRUSTEE NOMINEES FOR AGC.

THE BOARD OF LCM UNANIMOUSLY RECOMMENDS THAT YOU CAST YOUR VOTE:

- FOR THE MERGER OF LCM INTO AVK PURSUANT TO THE LCM MERGER AGREEMENT AS DESCRIBED IN THE JOINT PROXY STATEMENT/PROSPECTUS, INCLUDING THE TERMINATION OF LCM'S REGISTRATION UNDER THE 1940 ACT.
- FOR THE ELECTION OF EACH OF THE TRUSTEE NOMINEES FOR LCM.

IN ORDER TO AVOID THE ADDITIONAL EXPENSE OF FURTHER SOLICITATION, WE ASK THAT YOU MAIL YOUR PROXY CARD OR RECORD YOUR VOTING INSTRUCTIONS BY TELEPHONE OR VIA THE INTERNET PROMPTLY.

By order of each of the Board of Trustees of each Fund
[Signature]

Edward C. Delk
Secretary of the Funds
New York, New York
, 2018

YOUR VOTE IS IMPORTANT.
PLEASE VOTE PROMPTLY BY SIGNING AND RETURNING THE
ENCLOSED PROXY CARD OR BY RECORDING YOUR VOTING INSTRUCTIONS BY TELEPHONE
OR VIA THE INTERNET, NO MATTER HOW MANY SHARES YOU OWN.
IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JULY 20, 2018.
THE PROXY STATEMENT FOR THIS MEETING IS AVAILABLE AT:
HTTPS://WWW.PROXYONLINE.COM/DOCS/ADVENT2018.PDF

THE INFORMATION IN THIS JOINT PROXY STATEMENT/PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS JOINT PROXY STATEMENT/PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED APRIL 12, 2018

JOINT PROXY STATEMENT/PROSPECTUS

ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND II (“AGC”)
ADVENT/CLAYMORE ENHANCED GROWTH & INCOME FUND (“LCM”)
ADVENT CLAYMORE CONVERTIBLE SECURITIES AND INCOME FUND (“AVK”)

888 Seventh Avenue, 31st Floor,
New York, New York 10019
(212) 482-1600

JOINT ANNUAL MEETING OF SHAREHOLDERS
JULY 20, 2018

This Joint Proxy Statement/Prospectus is furnished to you as a shareholder of (i) Advent Claymore Convertible Securities and Income Fund II (“AGC”), (ii) Advent/Claymore Enhanced Growth & Income Fund (“LCM” and, together with AGC, the “Target Funds”) and/or (iii) Advent Claymore Convertible Securities and Income Fund (“AVK” or the “Acquiring Fund” and, collectively with the Target Funds, each, a “Fund”). A joint annual meeting (the “Meeting”) of shareholders of AGC, LCM and AVK will be held at the offices of the Funds’ counsel, Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, 38th Floor, New York, New York 10036, on July 20, 2018 at 10:00 a.m. Eastern time to consider the items listed below and discussed in greater detail elsewhere in this Joint Proxy Statement/Prospectus.

The Board of Trustees of each of AGC, LCM and AVK (each, a “Board”), including the trustees (the “Trustees”) who are not “interested persons” of each Fund (as defined in the Investment Company Act of 1940, as amended (the “1940 Act”)) (the “Independent Trustees”), recommends that you vote your common shares of beneficial interests (“common shares”) by completing and returning the enclosed proxy card or by recording your voting instructions by telephone or via the Internet. The approximate mailing date of this Joint Proxy Statement/Prospectus and accompanying form of proxy is , 2018.

The purposes of the Meeting are:

1. The Mergers of the Target Funds with the Acquiring Fund and the issuance of the Acquiring Fund’s common shares.

Shareholders of AGC:

Proposal 1(A): Approval of an Agreement and Plan of Merger between AGC and the Acquiring Fund (the “AGC Merger Agreement”), including the termination of AGC’s registration under the 1940 Act.

Shareholders of LCM:

Proposal 1(B): Approval of an Agreement and Plan of Merger between LCM and the Acquiring Fund (the “LCM Merger Agreement”), including the termination of LCM’s registration under the 1940 Act.

Shareholders of AVK:

Proposal 1(C): Approval of the AGC Merger Agreement, including the issuance of additional common shares of the Acquiring Fund.

Proposal 1(D): Approval of the LCM Merger Agreement, including the issuance of additional common shares of the Acquiring Fund.

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2. The election of the Trustee nominees.
Shareholders of AGC and AVK:
Proposal 2(A): To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class III Trustees, to serve until AGC's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.
Shareholders of LCM:
Proposal 2(B): To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class II Trustees, to serve until LCM's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.
3. To vote upon any other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Shareholders of record as of the close of business on April 17, 2018 are entitled to vote at the Meeting or any adjournment, postponement or delay thereof.

The AGC Merger Agreement and the LCM Merger Agreement are referred to herein as the "Merger Agreements." Each Merger Agreement that Target Fund shareholders and AVK shareholders are being asked to consider involves transactions that will be referred to in this Joint Proxy Statement/Prospectus as a "Merger." The Fund surviving any or all Mergers is referred to herein as the "Combined Fund."

Each of AGC, LCM and AVK is a diversified registered investment company and statutory trust organized under the laws of the State of Delaware and registered under the 1940 Act.

The Board of each Fund has determined that including these proposals in one Joint Proxy Statement/Prospectus will reduce costs and is in the best interests of each Fund's shareholders.

This Joint Proxy Statement/Prospectus sets forth concisely the information that shareholders of each Fund should know before voting on the proposals for their Fund and constitutes an offering of common shares of the Acquiring Fund ("Acquiring Fund Shares"). Please read it carefully and retain it for future reference. A Statement of Additional Information, dated , 2018, relating to this Joint Proxy Statement/Prospectus (the "Statement of Additional Information") has been filed with the United States Securities and Exchange Commission (the "SEC") and is incorporated herein by reference. Copies of each Fund's most recent annual report and semi-annual report can be obtained on a website maintained by Guggenheim Partners, LLC ("Guggenheim") at www.guggenheiminvestments.com. In addition, each Fund will furnish, without charge, a copy of the Statement of Additional Information, or its most recent annual report or semi-annual report to any shareholder upon request. Any such request should be directed to Guggenheim Funds Distributors, LLC, 227 West Monroe Street, 7th Floor, Chicago, Illinois 60606 (800) 345-7999. The Statement of Additional Information and the annual and semi-annual reports of each Fund are available on the EDGAR Database on the SEC's website at www.sec.gov. The address of the principal executive offices of the Funds is 888 Seventh Avenue, 31st Floor, New York, New York 10019, and the telephone number is (212) 482-1600.

The Funds are subject to the informational requirements of the Securities Exchange Act of 1934 and, in accordance therewith, file reports, proxy statements, proxy materials and other information with the SEC. Materials filed with the SEC can be reviewed and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 or downloaded from the SEC's website at www.sec.gov. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at (202) 551-8090. You may also request copies of these materials, upon payment at the prescribed rates of a duplicating fee, by electronic request to the SEC's e-mail address (publicinfo@sec.gov) or by writing the Public Reference Branch, Office of Consumer Affairs and Information Services, Securities and Exchange Commission, Washington, D.C. 20549-0102.

Guggenheim updates performance information for the Funds, as well as certain other information for the Funds, on a monthly basis on its website in the "Closed-End Funds" section of www.guggenheiminvestments.com. Shareholders are advised to periodically check the website for updated performance information and other information about the Funds.

The common shares of Advent Claymore Convertible Securities and Income Fund are listed on the New York Stock Exchange (“NYSE”) under the ticker symbol “AVK” and will continue to be so listed after the completion of the Mergers. The common shares of Advent Claymore Convertible Securities and Income Fund II are listed on the NYSE under the ticker symbol “AGC.” The common shares of Advent/Claymore Enhanced Growth & Income Fund are listed on the NYSE under the ticker symbol “LCM.” Reports, proxy statements and other information concerning the Funds may be inspected at the offices of the NYSE, 11 Wall Street, New York, New York 10005.

This Joint Proxy Statement/Prospectus serves as a prospectus of the Acquiring Fund in connection with the issuance of Acquiring Fund Shares in each of the Mergers. No person has been authorized to give any information or make any representation not contained in this Joint Proxy Statement/Prospectus and, if so given or made, such information or representation must not be relied upon as having been authorized. This Joint Proxy Statement/Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction in which, or to any person to whom, it is unlawful to make such offer or solicitation.

This Prospectus contains or incorporates by reference forward-looking statements, within the meaning of the federal securities laws, that involve risks and uncertainties. These statements describe the Funds plans, strategies, and goals and the Funds beliefs and assumptions concerning future economic and other conditions and the outlook for the Fund, based on currently available information. In this Prospectus, words such as “anticipates,” “believes,” “expects,” “objectives,” “goals,” “future,” “intends,” “seeks,” “will,” “may,” “could,” “should,” and similar expressions are used in an effort to identify forward-looking statements, although some forward-looking statements may be expressed differently. The Fund is not entitled to the safe harbor for forward-looking statements pursuant to Section 27A of the Securities Act of 1933, as amended.

Photographic identification and proof of ownership will be required for admission to the meeting. For directions to the meeting, please contact AST Fund Solutions, the firm assisting us in the solicitation of proxies, at (888) 542-7446. Representatives are available Monday through Friday, 9 a.m. to 10 p.m. Eastern time.

THE SEC HAS NOT APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ADEQUACY OF THIS JOINT PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Joint Proxy Statement/Prospectus is , 2018.

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PROPOSAL 1: THE MERGERS OF THE TARGET FUNDS WITH THE ACQUIRING FUND
AND THE ISSUANCE OF THE ACQUIRING FUND'S COMMON SHARES

SUMMARY

The following is a summary of certain information contained elsewhere in this Joint Proxy Statement/Prospectus and is qualified in its entirety by reference to the more complete information contained in this Joint Proxy Statement/Prospectus and in the Statement of Additional Information. Shareholders should read the entire Joint Proxy Statement/Prospectus carefully.

The Proposed Mergers

The Board of each Fund, including the Independent Trustees, has unanimously approved its Merger(s), including its respective Merger Agreement(s). Assuming each Fund's shareholders approve its respective Merger(s), pursuant to the terms of the applicable Merger Agreement each Target Fund will merge directly with and into the Acquiring Fund and in connection with such Merger, the Acquiring Fund will issue additional Acquiring Fund Shares and list such common shares on the NYSE. Each Target Fund will terminate its registration under the 1940 Act after the completion of its Merger.

In each Merger, the outstanding common shares of the Target Fund will be exchanged for newly-issued Acquiring Fund Shares in the form of book entry interests. The aggregate NAV (not the market value) of the Acquiring Fund Shares received by the Target Fund shareholders in each Merger will equal the aggregate NAV (not the market value) of the Target Fund common shares held by such shareholders immediately prior to such Merger (although Target Fund shareholders may receive cash for their fractional common shares), less the applicable costs of such Merger including, but not limited to, the issuance of additional Acquiring Fund Shares in connection with each of the Mergers (the "Issuances"). In the Mergers, shareholders of each Target Fund will receive common shares of the Acquiring Fund based on the relative NAV, not the market value, of each respective Fund's common shares. The market value of the common shares of the Combined Fund may be less than the market value of the common shares of a Target Fund prior to the Mergers.

Background and Reasons for the Proposed Mergers

The Mergers seek to combine three funds to achieve certain economies of scale and other operational efficiencies. Each Target Fund will merge directly with and into the Acquiring Fund, which will continue to exist after the merger as the Combined Fund. The Board of each Fund, based upon its evaluation of all relevant information, anticipates that the Merger would benefit shareholders of such Fund.

The Board of each Fund considered its respective Merger(s) at meetings of the Board of each Fund held on March 7, 2018 and March 14, 2018 (together, the "Board Meeting"). In preparation for the Board Meeting at which the Mergers were approved, Fund management provided the Board with information regarding the proposed Mergers, including the rationale therefor and alternatives considered to the Mergers. Based on the considerations below, the Board of each Fund, including the Independent Trustees, has determined that each Merger would be in the best interests of the applicable Fund and that the interests of the existing shareholders of the applicable Fund would not be diluted with respect to NAV as a result of the Merger. The Board of each Fund approved its respective Merger(s) and the Board of each Fund recommends that shareholders of such Fund approve its respective Merger(s).

The Board of each Fund anticipates that the Mergers will benefit the shareholders of each Fund by providing the potential for:

- Continuity of the Funds' overall investment objectives and strategies along with similarity of Fund policies and related risks.
- A lower operating expense ratio than each of the Funds prior to the Mergers.
- Greater secondary market liquidity for the Combined Fund's common shares.

- Less risk of portfolio disruption, from short-term activist shareholders, which benefits long term shareholders and facilitates the ability of the portfolio managers to focus on a Fund's investment objective.
- Larger fund size, which may provide efficiencies in portfolio management.
- Operating and administrative efficiencies from consolidation into the Combined Fund.

For additional information regarding these and other factors considered by the Board, see "Additional Information about the Funds and the Mergers—Reasons for the Mergers."

To the extent that the Merger of one Target Fund is not completed, but the Merger of the other Target Fund is completed, any expected benefits (including estimated expense savings) expected to be realized by the Combined Fund may be reduced or may not be realized. The Board considered that either Merger of a single Target Fund into the Acquiring Fund would also result in a reduction in the Total Expense Ratio of each participating Fund, although the level of expenses savings may not be as great as in the case of a Merger of all three Funds. Based on their consideration of a Merger of each Target Fund, the Board approved the Merger of the applicable Target Fund into AVK, even if the Merger of the other Target Fund is not completed.

The Board's determinations were made on the basis of each Trustee's business judgment after consideration of a range of materials and factors believed to be relevant by the Board taken as a whole with respect to its Fund and shareholders, although individual Trustees may have placed different weight on various factors and assigned different degrees of materiality to various factors.

Comparison of the Funds

General. Set forth below is certain comparative information about the organization, capitalization and operation of each Fund.

Organization

Fund	Organization Date	State of Organization	Entity Type
AGC	February 26, 2007	Delaware	statutory trust
LCM	January 30, 2004	Delaware	statutory trust
AVK	February 18, 2003	Delaware	statutory trust

Capitalization—Common Shares

Fund	Authorized Shares	Shares Outstanding[1]	Par Value Per Share	Preemptive, Conversion or Exchange Rights	Rights to Cumulative Voting	Exchange on which Common Shares are Listed
AGC	Unlimited	27,367,344	$0.001	None	None	NYSE
LCM	Unlimited	9,182,041	$0.001	None	None	NYSE
AVK	Unlimited	20,043,745	$0.001	None	None	NYSE

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(1) As of October 31, 2017

As of October 31, 2017, AGC had approximately $184.1 million in net assets and approximately $309.1 million in Managed Assets, LCM had approximately $86.8 million in net assets and approximately $121.8 million in Managed Assets and AVK had approximately $353.4 million in net assets and approximately $580.4 million in Managed Assets.

2

Investment Objective. Each Fund has a similar investment objective. Each of AGC and AVK seek to provide total return through a combination of capital appreciation and current income. LCM seeks current income and current gains from trading in securities, with a secondary objective of long-term capital appreciation.

Investment Policies. Each Fund emphasizes investments in convertible securities and non-convertible income-producing securities, combined with a strategy of writing (selling) covered call options on a portion of the securities held in the Fund's portfolio, thus generating option writing premiums. Under normal market conditions, each of AGC and AVK invest at least 80% of its Managed Assets in a diversified portfolio of convertible and non-convertible income-producing securities with at least 30% of its Managed Assets in convertible securities and up to 70% of its Managed Assets in non-convertible income-producing securities. LCM, however, invests at least 40% of its managed assets in a diversified portfolio of equity securities and convertible securities of U.S. and non-U.S. issuers, and may invest up to 60% of its managed assets in non-convertible high-yield securities. No changes are being made to AVK's investment policies in connection with the Mergers, except the addition of a policy of investing no more than 20% of its Managed Assets in illiquid securities.

Comparison of Portfolios. Each Fund emphasizes investments in convertible securities and non-convertible income-producing securities, although certain differences exist between the allocations within the Fund's investment policies. The following table shows the allocation of each Fund's portfolio to various categories of investments, as a percentage of Managed Assets as of October 31, 2017.

	AGC	LCM	AVK	Pro Forma Combined Fund
Convertible Securities	45.0%	59.1%	47.8%	48.2%
Corporate Bonds	41.0%	30.6%	39.5%	39.0%
Equity Securities	9.4%	5.2%	7.7%	7.9%
Senior Floating Rate Instruments	1.2%	0.7%	1.1%	1.1%
Cash and Cash Equivalents	3.4%	4.4%	3.9%	3.8%

The Target Funds are currently managed with a greater emphasis on foreign securities than AVK, including securities of issuers based in emerging markets, and have historically had a greater percentage of their assets than AVK invested in international markets and in the securities of non-U.S. issuers. Accordingly, the Target Funds are more susceptible to risks associated with such issuers and markets than AVK. The following table shows the allocation of each Fund's portfolio to foreign securities, as a percentage of Managed Assets as of October 31, 2017.

	AGC	LCM	AVK	Pro Forma Combined Fund
Non-US Investments	29.9%	34.0%	12.5%	20.4%

Fund management believes that, under current market conditions, such an allocation to foreign securities is appropriate for the Combined Fund.

Leverage. Each Fund may utilize leverage up to the limits imposed by the 1940 Act. Under the 1940 Act, each Fund may utilize Financial Leverage in the form of indebtedness in an aggregate amount up to 33 % of the Fund's Managed Assets (including the proceeds of such leverage) immediately after incurring such indebtedness. Under the 1940 Act, each Fund may utilize leverage in the form of preferred shares in an aggregate amount of up to 50% of the Fund's total assets (including the proceeds of such leverage) immediately after such issuance. Each Fund may also invest in reverse repurchase agreements to the maximum extent permitted by the SEC and/or SEC staff rules, guidance or positions.

In addition, each Fund may engage in certain derivatives transactions that have economic characteristics similar to leverage. To the extent the terms of any such transaction obligate a Fund to make payments, the Fund intends to earmark or segregate cash or liquid securities in an amount at least equal to the current value of the amount then payable by the Fund under the terms of such transactions or otherwise cover such transactions in accordance with applicable interpretations of the staff of the SEC. To the extent the terms of any such transaction obligate a Fund to deliver particular securities to extinguish that Fund's obligations under such transactions, the Fund may "cover" its obligations under such transaction by either (i) owning the securities or collateral underlying such transactions or (ii)

having an absolute and immediate right to acquire such securities or collateral without additional cash consideration (or, if additional cash consideration is required, having earmarked or segregated cash or liquid securities).
As of October 31, 2017, the Funds had outstanding leverage as follows:

	Borrowings		Reverse Repurchase Agreements		Total Leverage	
	Outstanding	Percentage of Managed Assets	Outstanding	Percentage of Managed Assets	Outstanding	Percentage of Managed Assets
AGC	$80,000,000	25.9%	$45,000,000	14.5%	$125,000,000	40.4%
LCM	$35,000,00	28.7%	N/A	N/A	$35,000,000	28.7%
AVK	$150,000,000	25.8%	$77,000,000	13.3%	$227,000,000	39.1%

See “Use Of Leverage” For additional information regarding the Funds’ use of leverage, including the refinancing of the Funds outstanding borrowings that occurred after October 31, 2017.
Distribution Policy. The Fund’s current distributions are as follows:

	Frequency	Distribution Per Share[1]	Annualized Distribution Rate on Net Asset Value[2]	Annualized Distribution Rate on Market Price[3]
AGC	Monthly	$0.047	8.76%	9.89%
LCM	Quarterly	$0.210	9.28%	10.40%
AVK	Monthly	0.1172	8.10%	9.06%

[1] Latest declared distribution.
[2] Latest declared distribution per share annualized and divided by the NAV per share as of March 19, 2018.
[3] Latest declared distribution per share annualized and divided by the share price as of March 19, 2018.
Pursuant to a standstill agreement, AVK has agreed to pay monthly distributions in an amount not less than 8.0% of AVK’s NAV based on average month-end NAV over the prior 12 months (the “Minimum Distribution Rate”), effective beginning with the May 2017 distribution and continuing for 24 months (the “Standstill Expiration”). The Combined Fund will continue to honor the Minimum Distribution Rate pursuant the Standstill Expiration. For more information about the standstill agreement, see “Additional Information About the Solicitation.”
The Combined Fund currently expects to continue to pay monthly distributions, if and when declared by the Board, in an amount representing a distribution rate similar to the current distribution rate of AVK and at least equal to the Minimum Distribution Rate. The current distribution rate of AVK, as a percentage of net asset value and market price, is less than the current distribution rate of AGC and LCM. However, shareholders of AGC and LCM will benefit from the certainty of the Minimum Distribution Rate during the remainder of the period for which AVK has agreed to pay distributions in amounts not less than the Minimum Distribution Rate. In addition, shareholders of LCM will benefit from the increased frequency of distributions.
The distribution level of any Fund is subject to change based upon a number of factors, including the current and projected level of the Fund’s earnings, and may fluctuate over time; thus, subject to a number of other factors, including the Fund’s distribution policy, a higher earnings profile may potentially have a positive impact on such Fund’s distribution level over time. The Combined Fund’s earnings and distribution rate on NAV will change over time, and depending on market conditions, may be higher or lower than each Fund’s earnings and distribution rate on NAV prior to the Mergers. A Fund’s earnings and net investment income are variables which depend on many factors, including its asset mix, portfolio turnover level, the amount of leverage utilized by the Fund, the costs of such leverage, the performance of its investments, the movement of interest rates and general market conditions. In addition, the Combined Fund’s future earnings will vary depending upon the combination of the Mergers. There can be no assurance that the future earnings of a Fund, including the Combined Fund after the Mergers, will remain constant.

See "Comparison of the Funds" in this Joint Proxy Statement/Prospectus for a more detailed description of the salient differences among the Funds.

Comparison of Fund Management

Trustees and Officers. Each Fund is overseen by a Board, comprised of the same members, and by the same officers. The Board of each Fund is responsible for the overall supervision of the operations of its respective Fund and performs the various duties imposed on the directors of investment companies by the 1940 Act and under applicable state law. Each Board currently has seven Trustees, six of whom are Independent Trustees. A list of the Trustees, a brief biography for each Trustee and additional information relating to the Board are included under "Proposal 2: Trustee Elections."

Fund Management. Advent Capital Management, LLC ("Advent") serves as investment adviser to AVK and investment manager to AGC and LCM. In such roles, Advent is responsible for making investment decisions with respect to the investment of each Fund's assets. Guggenheim Funds Distributors, LLC ("GFD") serves as servicing agent to AVK. Guggenheim Funds Investment Advisers, LLC ("GFIA"), an affiliate of GFD, serves as investment adviser to AGC and LCM. Advent, GFD and GFIA are sometimes referred to herein as the "Management Entities."

The contractual investment management, advisory and/or servicing fees paid to the Management Entities (collectively, "Management and Servicing Fees") of the Combined Fund will be identical to those of AVK, which are lower than those of AGC or LCM. The following table sets forth each Fund's Management and Servicing Fees as a percentage of Managed Assets of the Fund. "Managed Assets" means the total assets of a Fund minus the sum of the accrued liabilities (other than the aggregate indebtedness constituting financial leverage).

	AGC	LCM	AVK	Combined Fund
GFIA Advisory Fee	0.40%	0.49%	N/A	N/A
GFD Servicing Fee	N/A	N/A	0.21%	0.21%
Advent Management Fee	0.60%	0.51%	0.54%	0.54%
Total Management and Service Fees	1.00%	1.00%	0.75%	0.75%

Portfolio Managers. Tracy V. Maitland, Chief Investment Officer and President of Advent, and Paul Latronica, Managing Director and Director of Trading of Advent, serve as portfolio managers of each Fund and are primarily responsible for the day-to-day management of the Fund's portfolio. Mr. Maitland and Mr. Latronica are supported by teams of investment professionals. Mr. Maitland and Mr. Latronica will continue to serve as portfolio managers of the Combined Fund. As a result, each Fund's shareholders are expected to benefit from the continuing experience and expertise of the portfolio management team.

See "Management of the Fund" in this Joint Proxy Statement/Prospectus for a more detailed description of the Funds' Management.

Comparison of Risks

Because the Funds have substantially similar (but not identical) investment objectives and principal investment strategies, the Funds generally are subject to substantially similar investment risks. The Combined Fund will be managed in accordance with the same investment objective and investment policies, and subject to the same risks, as the Acquiring Fund. Most of the investment risks associated with an investment in the Acquiring Fund are substantially the same as those associated with an investment in the Target Funds. Risks that predominately affect common shares include investment and market discount risk, convertible securities risk, synthetic convertible securities risk, lower grade securities risk and leverage risk.

The Target Funds, however, are currently managed with a greater emphasis on foreign securities than AVK, including those of issuers based in emerging markets, and have historically had a greater percentage of their assets than AVK invested in international markets and in the securities of non-U.S. issuers. Accordingly, the Target Funds are more susceptible to risks associated with such issuers and markets than AVK.

As exchange-traded closed-end funds, the Funds are subject to the risk that the Funds' common shares may trade at a discount from the Funds' NAV. Accordingly, the Funds are primarily designed for long-term investors and should not be considered a vehicle for trading purposes.

Comparison of Pro Forma Historical Expenses

The following tables illustrate the anticipated reduction in the Total Expense Ratio (a Fund's annual operating expenses expressed as a percentage of its average net assets attributable to its common shares) for the shareholder of each Fund expected as a result of the Mergers.

The table below sets forth (i) the annual expenses for each Fund for the 12-month period ended October 31, 2017; (ii) the pro forma annual expenses for the Combined Fund, assuming the Mergers of each Target Fund into AVK had taken place on the first day of the 12-month period ended October 31, 2017, which represents the most likely combination of the Mergers and the combination of the Mergers resulting in the lowest Total Expense Ratio; (iii) the pro forma annual expenses for the Combined Fund, assuming only the Merger of AGC into AVK had taken place on the first day of the 12-month period ended October 31, 2017; and (iv) the pro forma annual expenses for the Combined Fund, assuming only the Merger of LCM into AVK had taken place on the first day of the 12-month period ended October 31, 2017.

	AGC	LCM	AVK	Pro Forma Combined Fund (AGC & AVK)	Pro Forma Combined Fund (LCM & AVK)	Pro Forma Combined Fund (Both Target Funds into AVK)
Shareholder Transaction Expenses						
Maximum Sales Load (as a percentage of the offering price) imposed on purchases of common shares(1)	None	None	None	None	None	None
Dividend Reinvestment and Cash Purchase Plan Fees	None	None	None	None	None	None
Annual Expenses						
(as a percentage of average net assets attributable to common shares)(2)						
Total Advisory, Management and Servicing Fee (3)	1.69%	1.39%	1.23%	1.21%	1.21%	1.21%
Other Expenses	0.40%	0.67%	0.26%	0.24%	0.27%	0.23%
Annual Fund Operating Expenses (Excluding Interest Expense)	2.09%	2.06%	1.49%	1.45%	1.48%	1.44%
Interest Expense (4)	1.40%	0.81%	1.23%	1.19%	1.19%	1.19%
Total Annual Fund Operating Expenses (Including Interest Expense)	3.49%	2.87%	2.72%	2.64%	2.67%	2.63%

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(1) No sales load will be charged in connection with the issuance of the Acquiring Fund Shares as part of the Mergers. Common shares are not available for purchase from the Funds but may be purchased on the NYSE through a broker-dealer subject to individually negotiated commission rates. Common shares purchased in the secondary market may be subject to brokerage commissions or other charges.

(2) Assumes leverage of approximately 38% of Managed Assets of the Combined Fund.

(3) AGC pays Management and Servicing Fees of 1.00% of Managed Assets (consisting of an investment management fee to Advent in an amount equal to 0.60% of Managed Assets and an investment advisory fee to GFIA in an amount equal to 0.40% of Managed Assets). LCM pays Management and Servicing Fees of 1.00% of Managed Assets (consisting of an investment management fee to Advent in an amount equal to 0.51% of Managed Assets and an investment advisory fee to GFIA in an amount equal to 0.49% of Managed Assets). AVK pays, and the Combined Fund will pay, Management and Servicing Fees of 0.75% (consisting of an investment management fee to Advent in an amount equal to 0.54% of Managed Assets and a servicing fee to GFD in an amount equal to 0.21% of Managed Assets). Common shareholders bear the portion of the Management and Servicing Fees attributable to the assets purchased with the proceeds of leverage, which means that common shareholders

effectively bear the entire Management and Servicing Fees.

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(4) Each Fund currently utilizes leverage in the form of borrowings and reverse repurchase agreements. Although each Fund is permitted to utilize borrowings and reverse repurchase agreements to the maximum extent permitted under the 1940 Act, as of October 31, 2017, while AVK, AGC and the pro forma Combined Fund each utilized similar levels of leverage, as a percentage of their Managed Assets, LCM utilized a lower level of leverage. A fund that utilizes greater leverage will incur more interest expense and will pay a greater advisory fee, as a percentage of net assets attributable to common shares, because the advisory fee is calculated as a percentage of Managed Assets, but is borne by common shareholders.

Each Fund is permitted to utilize leverage to the maximum extent permitted under the 1940 Act. However, AVK, AGC and the pro forma Combined Fund each utilize similar levels of leverage, as a percentage of their Managed Assets, whereas LCM utilized a lower level of leverage. Cost of leverage can vary across Funds based on factors such as asset mix and the timing of when leverage was incurred and corresponding market rates. In addition, a fund that utilizes greater leverage will incur more interest expense and will pay a greater management fee, as a percentage of net assets attributable to common shares, because the management fee is calculated as a percentage of Managed Assets. Therefore, in evaluating the Mergers, the Board also considered the Total Expense Ratios (Excluding Interest Expense) of each Fund for the 12-month period ended October 31, 2017 and the Total Expense Ratio (Excluding Interest Expense) for the Combined Fund on a pro forma basis for the 12-month period ended October 31, 2017. Based on the pro forma expenses for the 12-month period ended October 31, 2017, the completion of the Mergers of both Target Funds into AVK would have resulted in a reduced Total Expense Ratio (Including Interest Expense) and reduced Total Expense Ratio (Excluding Interest Expense) for each Fund, as follows:

	Reduction in Total Expense Ratio (Including Interest Expense)	Reduction in Total Expense Ratio (Excluding Interest Expense)
AGC	0.86%	0.65%
LCM	0.24%	0.62%
AVK	0.09%	0.05%

There can be no assurance that future expenses will not increase or that any expense savings (if any) will be realized. Moreover, the level of expense savings (if any) will vary depending upon the combination of the proposed Mergers. Because each of the Mergers may occur whether or not the other Merger is approved, several combinations are possible. The scenarios presented illustrate the pro forma effects on operating expenses for all possible combinations. The following example is intended to help you compare the costs of investing in the common shares of the Combined Fund pro forma if the Merger is completed with the costs of investing in AGC, LCM and the Acquiring Fund without the Merger. An investor in common shares would pay the following expenses on a $1,000 investment, assuming (1) the Total Expense Ratio (Including Interest Expenses) for each Fund set forth in the total expenses table above and (2) a 5% annual return throughout the period:

	1 Year	3 Years	5 Years	10 Years
AGC	$ 35	$ 107	$ 181	$ 377
LCM	$ 29	$ 89	$ 151	$ 319
AVK	$ 28	$ 84	$ 144	$ 305
Pro Forma Combined Fund (AGC into AVK)	$ 27	$ 82	$ 140	$ 297
Pro Forma Combined Fund (LCM into AVK)	$ 27	$ 83	$ 142	$ 300
Pro Forma Combined Fund (Both Target Funds into AVK)	$ 27	$ 82	$ 140	$ 296

The examples set forth above assume common shares of each Fund were owned as of the completion of the Mergers and the reinvestment of all dividends and distributions and uses a 5% annual rate of return as mandated by SEC regulations. The examples should not be considered a representation of past or future expenses or annual rates of return. Actual expenses or annual rates of return may be more or less than those assumed for purposes of the examples.

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Comparison of Projected Pro Forma Expenses

The comparison of historical expense ratios set forth above provides a method to compare the historical expense ratios of each Fund and the pro forma Combined Fund assuming the Mergers had occurred on the first day of the 12-month period ended October 31, 2017. However, due to certain changes that have taken place with respect to the Funds, these historical Total Expense Ratios may not be indicative of the expenses that a shareholder in a Fund or the Combined Fund would experience going forward.

Specifically, each Fund conducted a tender offer in 2017 pursuant to which it repurchased a significant portion of its outstanding common shares and absorbed transaction, legal and other related costs and expenses, which had the effect of reducing its assets, leading to higher expenses as a percentage of Managed Assets. Each of AVK and AGC repurchased 15% of its outstanding common shares on September 13, 2017 and LCM repurchased 32.5% of its outstanding common shares on July 17, 2017. Because the Total Expense Ratios under "Comparison of Pro Forma Historical Expenses" are calculated based on the Funds' average assets during the period, the impacts of these tender offers on the Funds' expenses are not fully captured in the historical Total Expense Ratios.

Furthermore, each Fund refinanced all or a portion of its leverage after October 31, 2017 in advance of the pending expiration or non-renewal of their prior leverage arrangements. Because the refinancings occurred in a higher interest rate environment, the cost of leverage increased for each Fund. Therefore, each Fund's Interest Expense and Total Expenses Annual Fund Operating Expenses (Including Interest Expense) will be higher going forward irrespective of the proposed Mergers.

Therefore, the Board requested, and Fund management provided, projected expense analyses reflecting the impact on Fund assets of each Fund's tender offers and the costs of leverage giving effect to the refinancing, as follows:

Projected Annual Expenses

(as a percentage of average net assets attributable to common shares)[1]

	AGC	LCM	AVK	Pro Forma Combined Fund (AGC & AVK)	Pro Forma Combined Fund (LCM & AVK)	Pro Forma Combined Fund (Both Target Funds into AVK)
Total Advisory, Management and Servicing Fee [2]	1.68%	1.41%	1.23%	1.21%	1.21%	1.21%
Other Expenses [3]	0.46%	0.88%	0.34%	0.24%	0.27%	0.23%
Annual Fund Operating Expenses (Before Interest Expense)	2.14%	2.29%	1.53%	1.45%	1.48%	1.44%
Interest Expense [4][5]	2.40%	1.55%	2.27%	2.16%	2.16%	2.16%
Total Annual Fund Operating Expenses (Including Interest Expense)	4.54%	3.84%	3.80%	3.61%	3.64%	3.60%

(1) Based on net assets of each Fund as of October 31, 2017. Assumes leverage of approximately 40.4% of Managed Assets of AGC, 28.8% of Managed Assets of LCM, 39.1% of Managed Assets of AVK, and 38.0% of Managed Assets of the Combined Fund.

(2) AGC pays Management and Servicing Fees of 1.00% of Managed Assets (consisting of an investment management fee to Advent in an amount equal to 0.60% of Managed Assets and an investment advisory fee to GFIA in an amount equal to 0.40% of Managed Assets). LCM pays Management and Servicing Fees of 1.00% of Managed Assets (consisting of an investment management fee to Advent in an amount equal to 0.51% of Managed Assets and an investment advisory fee to GFIA in an amount equal to 0.49% of Managed Assets). AVK pays, and the Combined Fund will pay, Management and Servicing Fees of 0.75% (consisting of an investment management fee to Advent in an amount equal to 0.54% of Managed Assets and a servicing fee to GFD in an amount equal to 0.21% of Managed Assets). Common shareholders bear the portion of the Management and Servicing Fees attributable to the assets purchased with the proceeds of leverage, which means that common shareholders effectively bear the entire Management and Servicing Fees.

(3) Estimated based on each Fund's expenses for the fiscal year ended October 31, 2017.

(4) Based on each Fund’s cost of leverage as of February 9, 2017 (after giving effect to each Fund’s recent leverage refinancing).

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(5) Each Fund currently utilizes leverage in the form of borrowings and reverse repurchase agreements. Although each Fund is permitted to utilize borrowings and reverse repurchase agreements to the maximum extent permitted under the 1940 Act, as of October 31, 2017, while AVK, AGC and the pro forma Combined Fund each utilized similar levels of leverage, as a percentage of their Managed Assets, LCM utilized a lower level of leverage. A fund that utilizes greater leverage will incur more interest expense and will pay a greater advisory fee, as a percentage of net assets attributable to common shares, because the advisory fee is calculated as a percentage of Managed Assets, but is borne by common shareholders.

These projected expenses are estimates should not be considered a representation of future expenses. Actual expenses may be more or less than those assumed for purposes of this analysis.

Based on the projected pro forma expenses set forth above, the completion of the Mergers of both Target Funds into AVK would result in a reduced Total Expense Ratio (Including Interest Expense) and reduced Total Expense Ratio (Excluding Interest Expense) for each Fund, as follows:

	Reduction in Total Expense Ratio (Including Interest Expense)	Reduction in Total Expense Ratio (Excluding Interest Expense)
AGC	0.94%	0.70%
LCM	0.24%	0.85%
AVK	0.20%	0.09%

There can be no assurance that future expenses will not increase or that any expense savings (if any) will be realized. Moreover, the level of expense savings (if any) will vary depending upon the combination of the proposed Mergers. Because each of the Mergers may occur whether or not the other Merger is approved, several combinations are possible. The scenarios presented illustrate the pro forma effects on operating expenses for all possible combinations.

The following example is intended to help you compare the costs of investing in the common shares of the Combined Fund pro forma if the Merger is completed with the costs of investing in AGC, LCM and the Acquiring Fund without the Merger based on the projected expense ratios set forth above. An investor in common shares would pay the following expenses on a $1,000 investment, assuming (1) the Total Expense Ratio (Including Interest Expenses) for each Fund set forth in the total expenses table above and (2) a 5% annual return throughout the period:

	1 Year	3 Years	5 Years	10 Years
AGC	$ 46	$ 137	$ 230	$ 465
LCM	$ 39	$ 117	$ 198	$ 407
AVK	$ 38	$ 116	$ 196	$ 404
Pro Forma Combined Fund (AGC into AVK)	$ 36	$ 111	$ 187	$ 387
Pro Forma Combined Fund (LCM into AVK)	$ 37	$ 111	$ 188	$ 390
Pro Forma Combined Fund (Both Target Funds into AVK)	$ 36	$ 110	$ 186	$ 386

The examples set forth above assume common shares of each Fund were owned as of the completion of the Mergers and the reinvestment of all dividends and distributions and uses a 5% annual rate of return as mandated by SEC regulations. The examples should not be considered a representation of past or future expenses or annual rates of return. Actual expenses or annual rates of return may be more or less than those assumed for purposes of the examples.

Comparison of Performance

The performance table below illustrates the past performance of an investment in common shares of each Fund by setting forth the average total returns for the Funds for the periods indicated. A Fund's past performance does not necessarily indicate how its common shares will perform in the future.

	Average Annual Total Returns on Net Asset Value as of October 31, 2017				
Fund	One Year	Three Year	Five Year	Ten Year	Since Inception(1)
AGC	14.03%	4.14%	6.69%	(1.62)%	(1.20)%
LCM	12.87%	4.03%	6.02%	1.19%	3.00%
AVK	16.55%	4.41%	7.17%	2.66%	5.44%

	Average Annual Total Returns on Market Value as of October 31, 2017				
Fund	One Year	Three Year	Five Year	Ten Years	Since Inception(1)
AGC	21.79%	7.23%	7.61%	(0.05)%	(1.50)%
LCM	16.91%	6.72%	7.64%	2.84%	2.89%
AVK	24.20%	5.32%	6.42%	3.66%	5.59%

(1) Inception Date – AGC: May 24, 2007; LCM: January 26, 2005; AVK: April 29, 2003.

Average Annual Total Return on Net Asset Value is the combination of changes in common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvestment price for the last dividend declared in the period may often be based on a Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Average Annual Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances it may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Past performance information is not necessarily indicative of future results.

Expenses of the Merger

Regardless of whether the Mergers are completed, the costs associated with these proposed Mergers, including the costs associated with the Meeting, will be borne by the Funds. Each Fund will bear expenses incurred in connection with the Merger(s). The expenses incurred in connection with the Mergers include, but are not limited to, costs related to the preparation and distribution of materials distributed to each Fund's Board, expenses incurred in connection with the preparation of the Merger Agreements and the registration statement on Form N-14, the printing and distribution of this Joint Proxy Statement/Prospectus and any other materials required to be distributed to shareholders, SEC and state securities commission filing fees, and legal and audit fees in connection with the Mergers, including legal fees incurred preparing each Fund's Board materials, attending each Fund's Board meetings and preparing the minutes, auditing fees associated with each Fund's financial statements, stock exchange fees, transfer agency fees, portfolio transfer taxes (if any) and any similar expenses incurred in connection with the Mergers.

Because of the expected benefits of the Mergers for each Fund described herein, including estimated expense savings for each Fund expected to occur over time following the Mergers, the Board determined that each Fund will incur a portion of the total costs of the Mergers in proportion to each Fund's estimated expense savings, based on the reduction in Total Expense Ratio (Excluding Interest Expense) on a pro forma basis for the 12-month period ended October 31,

2017. The total costs of the Mergers are estimated to be approximately $1,085,000, of which approximately $679,000 would be borne by AGC, approximately $305,000 would be borne by LCM and approximately $101,000 would be borne by AVK.

Because each Fund has already incurred expenses attributable to the Merger(s), as applicable, and because the Funds are responsible for paying those expenses, if each Fund's respective shareholders do not approve their Fund's respective Merger(s), as applicable, such Fund will continue to be responsible for the expenses already incurred arising from its proposed Merger(s), as applicable, even though its proposed action will not occur and those expenses may be material. Neither the Funds nor the Management Entities will pay any expenses of shareholders arising out of or in connection with the Merger (e.g., expenses incurred by the shareholder as a result of attending the Meeting, voting on the Mergers or other action taken by the shareholder in connection with the Mergers). The actual costs associated with the proposed Mergers may be more or less than the estimated costs discussed herein.

Summary of U.S. Federal Income Tax Consequences

Each Merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). If a Merger so qualifies, in general, common shareholders of a Target Fund will recognize no gain or loss for U.S. federal income tax purposes upon the exchange of their Target Fund common shares for Acquiring Fund Shares pursuant to the Merger (except with respect to cash received in lieu of fractional shares). Additionally, the Target Funds will recognize no gain or loss for U.S. federal income tax purposes by reason of the Mergers. Neither the Acquiring Fund nor its shareholders will recognize any gain or loss for U.S. federal income tax purposes pursuant to each Merger.

On or prior to the closing date of the Mergers (the "Closing Date"), each of the Target Funds will declare a distribution to its shareholders that, together with all previous distributions, will have the effect of distributing to each respective Target Fund's shareholders all of its investment company taxable income (computed without regard to the deduction for dividends paid), if any, through the Closing Date, all of its net capital gains, if any, through the Closing Date, and all of its net tax-exempt interest income, if any, through the Closing Date. Such a distribution will generally be taxable to each Target Fund's shareholders for U.S. federal income tax purposes.

The Funds' shareholders should consult their own tax advisers regarding the U.S. federal income tax consequences of the Mergers, as well as the effects of state, local and non-U.S. tax laws, including possible changes in tax laws. For a more detailed description of U.S. federal income tax considerations of the Mergers, see "U.S. Federal Income Tax Consequences of the Mergers."

Further Information Regarding the Mergers

Each Target Fund Board has determined that its Merger is in the best interests of its Target Fund and the shareholders of such Target Fund and that the interests of such shareholders will not be diluted as a result of such Target Fund's Merger. Similarly, the Board of AVK has determined that each Merger is in the best interests of AVK and its shareholders and that the interests of such shareholders will not be diluted as a result of each Merger. As a result of the Mergers, however, shareholders of each Fund will hold a reduced percentage of ownership in the larger Combined Fund than they did in any of the individual Funds.

The Board of each Fund recommends that shareholders of such Fund approve their proposed Merger(s) at the Meeting to be held on July 20, 2018.

Shareholder approval of the AGC Merger requires the affirmative vote by a 1940 Act Majority of AGC's shareholders. Shareholder approval of the LCM Merger requires the affirmative vote by a 1940 Act Majority of LCM's shareholders. Each Merger is conditioned on the approval of such Merger by AVK's shareholders, which requires the affirmative vote by a 1940 Act Majority of AVK's shareholders. A "1940 Act Majority" means the affirmative vote of either (i) 66 % or more of the voting securities present at the Meeting, if the holders of more than 50% of the outstanding voting securities of the Fund are present or represented by proxy, or (ii) more than 50% of the outstanding voting securities of the Fund, whichever is less. For additional information regarding voting requirements, see "Voting Information."

An unfavorable vote by shareholders of a Target Fund, or the unfavorable vote by shareholders of the Acquiring Fund on the Merger of one Target Fund, will not affect the implementation of the Merger by the other Target Fund, if the other Merger is approved by the shareholders of the Acquiring Fund and the other Target Fund. If the Merger of a Target Fund is not approved that Target Fund will continue to operate as a separate fund. In such event, Fund management may recommend alternative proposals to the Board and the Board may also consider other strategic alternatives for that Target Fund.

Subject to the requisite approval of the shareholders of each Target Fund with regard to each Merger, it is expected that the Closing Date will be sometime during the third quarter of 2018, but it may be at a different time as described herein.

Investing in the Combined Fund following a Merger involves risks. For additional information, see "Risk Factors."

The AGC Board recommends that shareholders of AGC vote "FOR" AGC's proposed Merger.

The LCM Board recommends that shareholders of LCM vote "FOR" LCM's proposed Merger.

The AVK Board recommends that shareholders of AVK vote "FOR" AVK's proposed Mergers with AGC and LCM.

INVESTMENT OBJECTIVES AND POLICIES

The Funds have substantially similar (but not identical) investment objectives, investment strategies and restrictions. The investment objectives, significant investment strategies and operating policies, and investment restrictions of the Combined Fund will be those of AVK.

AVK's primary investment objective is to provide total return through a combination of capital appreciation and current income. AVK pursues its investment objectives by investing in convertible securities and non-convertible income-producing securities, combined with a strategy of writing (selling) covered call options on a portion of the securities held in the Fund's portfolio, thus generating option writing premiums. Under normal market conditions, AVK invests at least 80% of its Managed Assets in a diversified portfolio of convertible and non-convertible income-producing securities with at least 30% of its Managed Assets in convertible securities and up to 70% of its Managed Assets in non-convertible income-producing securities. No changes are being made to AVK's investment policies in connection with the Mergers, except the addition of a policy of investing no more than 20% of its Managed Assets in illiquid securities.

Summary of Significant Differences in the Funds' Investment Objectives and Policies

Investment Objectives. AGC's and AVK's investment objective is, and the Combined Fund's investment objective will be, to provide total return through a combination of capital appreciation and current income. LCM's primary investment objective is to seek current income and current gains from trading in securities, with a secondary objective of long-term capital appreciation.

Convertible and Non-Convertible Securities Allocation. Each Fund invests primarily in a portfolio of convertible securities and non-convertible income securities and may invest without limitation in convertible securities. However, AGC, AVK and the Combined Fund invest at least 30% of its managed assets in convertible securities and may invest up to 70% of its managed assets in non-convertible income securities, whereas LCM invests at least 40% of its managed assets in a diversified portfolio of equity securities and convertible securities of U.S. and non-U.S. issuers, and may invest up to 60% of its managed assets in non-convertible high-yield securities.

Covered Call Option Strategy. Each Fund currently may use (and the Combined Fund would be permitted but not required to use) a strategy of writing (selling) covered call options on the securities held in the portfolio, thus generating option writing premiums. The objective of this strategy is to generate current gains from option premiums to enhance distributions payable to the holders of common shares. AGC, AVK and the Combined Fund may write (sell) covered call options on up to 25% of the securities held in its portfolios, whereas LCM is not subject to any minimum or maximum percentage of its portfolio securities on which it is required to write covered call options.

Illiquid Securities. Each Fund may invest in illiquid securities. Currently, AVK and LCM are permitted to invest without limitation in illiquid securities, whereas AGC does not intend to invest more than 15% of its Managed

Assets in illiquid securities (other than Rule 144A Securities). As of October 31, 2017, none of the assets of any Fund were invested in illiquid securities. As described below, however, each Fund expects to invest a portion of its assets in privately offered convertible securities or similar instruments that may be illiquid. Upon completion of the Mergers, AVK will adopt a non-fundamental investment policy not to invest more than 20% of its Managed Assets in illiquid securities.

Other Investment Policies

Other investment policies of the Funds' investment policies, highlighting differences where applicable, are summarized below.

Foreign Securities. Each Fund may invest without limitation in foreign securities. The Target Funds are currently managed with a greater emphasis on foreign securities, including those of issuers based in emerging markets, and have historically had a greater percentage of their assets invested in international markets and in the securities of non-U.S. issuers. As of October 31, 2017, approximately 30% of the Managed Assets of AGC, approximately 34% of the Managed Assets of LCM and approximately 13% of the Managed Assets of AVK were invested in foreign securities. As a result, on a pro forma basis as of October 31, 2017, approximately 20% of the Managed Assets of the Combined Fund would consist of foreign securities. Fund management believes that, under current market conditions, such an allocation to foreign securities is appropriate for the Combined Fund.

Synthetic Convertible Securities. Each Fund may also invest in a "synthetic" convertible security by combining separate securities that possess the two principal characteristics of a true convertible security, i.e., an income security ("income security component") and the right to acquire an equity security ("convertible component"). Each Fund may also purchase synthetic securities created by other parties, typically investment banks, including convertible structured notes. Structured convertible securities are equity-linked hybrid securities convert, typically on an automatic basis, to equity securities on a specified date. Three features common to structured convertible securities are (i) conversion to equity securities at the maturity of the convertible (as opposed to conversion at the option of the security holder in the case of traditional convertible securities); (ii) capped or limited appreciation potential relative to the underlying common stock; and (iii) dividend yields that are typically higher than that of the underlying common stock.

Equity Securities. Equity securities, such as common stock, generally represent an ownership interest in a company. Each of AVK and AGC may invest up to 20% of its Managed Assets in equity securities. LCM invests at least 40% of its Managed Assets in a diversified portfolio of equity securities and convertible securities of U.S. and non-U.S. issuers.

Lower Grade Securities. Each Fund may invest a significant portion of its assets in securities rated below investment grade, such as those rated Ba or lower by Moody's Investors Service, Inc. ("Moody's") and BB or lower by Standard & Poor's ("S&P") or securities comparably rated by other rating agencies or in unrated securities determined by Advent to be of comparable quality. Lower grade securities are commonly referred to as "junk bonds." Both the convertible securities and the income-producing securities in which the Fund will invest may be lower grade securities. Lower grade securities often trade like equity securities rather than debt and are typically more volatile and less liquid than highly rated securities.

Private Securities. Each Fund may invest up to 15% of its Managed Assets in privately offered convertible securities, privately offered non-convertible income securities and any attached or related privately offered warrants or equity-linked securities (collectively, "private securities"), which may include securities of private companies and privately issued securities of public companies. Advent does not expect to invest more than 2.5% of its Managed Assets in any single private security at the time of investment. The Funds invest primarily in private securities to seek to enhance the Fund's current income. Therefore, each Fund will invest in a private security only if the expected yield on such security at the time of investment exceeds the yield of specified public convertible and high yield bond benchmarks (currently the ICE BofAML All U.S. Convertibles Index and ICE BofAML US High Yield Total Return Index). The Funds are not required to dispose of private securities in the event that relative yields change after the time of investment. Advent has recently determined to dedicate a portion of each Fund's assets to investments in private securities as a component of the Fund's overall investment strategy. Any such private securities investments will increase the percentage of the Fund's assets invested in illiquid securities. In order to provide for further diversification, Advent intends to limit the number of private securities transactions the Funds make in any given year and deploy each Fund's overall allocation to private securities over the course of several years.

Derivative Transactions. Each Fund may purchase and sell derivative instruments such as exchange-listed and over-the-counter put and call options on securities, financial futures, equity, fixed-income and interest rate indices, and other financial instruments, purchase and sell financial futures contracts and options thereon, enter into various interest rate transactions such as swaps, caps, floors or collars and enter into various currency transactions such as currency forward contracts, currency futures contracts, currency swaps or options on currency or currency futures or credit transactions and credit default swaps. Each Fund also may purchase derivative instruments that combine features of these instruments and purchase securities for delayed settlement.

Other Investment Companies. Each Fund may invest in the securities of other investment companies to the extent that such investments are consistent with the Fund’s investment objective and policies and permissible under the 1940 Act, provided that AGC may only invest up to 10% of its Managed Assets in the securities of other investment companies.

Defensive and Temporary Investments. Under unusual market or economic conditions or for temporary defensive purposes, each Fund may invest up to 100% of its total assets in securities issued or guaranteed by the U.S. government or its instrumentalities or agencies, certificates of deposit, bankers’ acceptances and other bank obligations, commercial paper rated in the highest category by a nationally recognized statistical rating organization or other fixed income securities deemed by Advent to be consistent with a defensive posture, or may hold cash, including money market funds.

Repurchase Agreements. Each Fund may enter into repurchase agreements with broker-dealers, member banks of the Federal Reserve System and other financial institutions.

Lending of Portfolio Securities. Each Fund may lend portfolio securities to registered broker-dealers or other institutional investors deemed by the Advisor to be of good standing under agreements which require that the loans be secured continuously by collateral in cash, cash equivalents or U.S. Treasury bills maintained on a current basis at an amount at least equal to the market value of the securities loaned. A Fund continues to receive the equivalent of the interest or dividends paid by the issuer on the securities loaned as well as the benefit of an increase and the detriment of any decrease in the market value of the securities loaned and would also receive compensation based on investment of the collateral. A Fund would not, however, have the right to vote any securities having voting rights during the existence of the loan, but would call the loan in anticipation of an important vote to be taken among holders of the securities or of the giving or withholding of consent on a material matter affecting the investment. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in the collateral should the borrower of the securities fail financially. At no time would the value of the securities loaned exceed 35% of the value of the Fund’s total assets.

Portfolio Turnover Rate. Portfolio turnover rate is not considered a limiting factor in the execution of investment decisions for each Fund.

For additional information regarding the Acquiring Fund’s investments, see “Investment Policies” in the SAI.

Fundamental Investment Restrictions

Each Fund has the same investment fundamental investment restrictions. These limitations are fundamental and may not be changed without the affirmative vote by a 1940 Act Majority of the Fund’s shareholders.

1. Each Fund may not invest 25% or more of the value of its Managed Assets in any one industry, provided that this limitation does not apply to government securities.

2. Each Fund may not, with respect to 75% of its Managed Assets, invest more than 5% of the value of its Managed Assets in the securities of any single issuer or purchase more than 10% of the outstanding voting securities of any one issuer.

3. Each Fund may not issue senior securities or borrow money other than as permitted by the Investment Company Act of 1940, or pledge its assets other than to secure such issuances or in connection with the purchase or sale of futures contracts, exchange-listed and over-the-counter put and call options on securities, financial indices and futures contracts, forward foreign currency contracts, interest rate transactions and other investment strategies.

4. Each Fund may not make loans of money or property to any person, except through loans of portfolio securities, the purchase of convertible securities and non-convertible income securities consistent with the Fund's investment objective and policies or the entry into repurchase agreements.
5. Each Fund may not underwrite the securities of other issuers, except to the extent that in connection with the disposition of portfolio securities or the sale of its own securities the Fund may be deemed to be an underwriter.
6. Each Fund may not purchase or sell real estate, except that the Fund may invest in securities of companies that deal in real estate or are engaged in the real estate business, including real estate investment trusts, and securities secured by real estate or interests therein and the Fund may hold and sell real estate or mortgages on real estate acquired through default, liquidation or other distributions of an interest in real estate as a result of the Fund's ownership of such securities.
7. Each Fund may not purchase or sell commodities or commodity contracts for any purposes except as, and to the extent, permitted by applicable law without the Fund becoming subject to registration with the Commodity Futures Trading Commission as a commodity pool.

See "Investment Restrictions" in the SAI for additional information regarding the fundamental investment restrictions of the Acquiring Fund.

Any policies of AVK not described as fundamental in this Joint Proxy Statement/Prospectus may be changed by its Board without shareholder approval.

USE OF LEVERAGE

Each Fund may utilize leverage up to the limits imposed by the 1940 Act. Under the 1940 Act, each Fund may utilize Financial Leverage in the form of indebtedness in an aggregate amount up to 33 % of the Fund's Managed Assets (including the proceeds of such leverage) immediately after incurring such indebtedness. Under the 1940 Act, each Fund may utilize leverage in the form of preferred shares in an aggregate amount of up to 50% of the Fund's total assets (including the proceeds of such leverage) immediately after such issuance. Each Fund may also invest in reverse repurchase agreements to the maximum extent permitted by the SEC and/or SEC staff rules, guidance or positions.

For the fiscal year ended October 31, 2017, each Fund's outstanding leverage was as follows:

Fund	Title of Security	Average Daily Amount Outstanding	Average Daily Weighted Interest Rate
AGC	Borrowings	$80,000,00	1.74%
	Reverse Repurchase Agreements	$65,342,466	2.34%
	Total Leverage	$145,342,466	2.01%
LCM	Borrowings	$44,410,959	2.12%
AVK	Borrowings	$166,602,740	1.74%
	Reverse Repurchase Agreements	$88,835,616	2.34%
	Total Leverage	$255,438,356	1.95%

As of October 31, 2017, each Fund had outstanding leverage as follows:

Fund	Title of Security	Total Principal Amount Outstanding	Leverage Ratio (as a Percentage of Managed Assets)	Asset Coverage Per $1,000 of Principal Amount
AGC	Borrowings	$80,000,000	25.9%	$3,301
	Reverse Repurchase Agreements	$45,000,000	14.5%	N/A(1)
	Total Leverage	$125,000,000	40.4%	—

LCM	Borrowings	$35,000,000	28.7%	$3,479
AVK	Borrowings	$150,000,000	25.8%	$3,356
	Reverse Repurchase Agreements	$77,000,000	13.3%	N/A[1]
	Total Leverage	$227,000,000	39.1%	—

(1) As a result of the Fund having earmarked or segregated cash or liquid securities against such transactions or otherwise having covered the transactions, in accordance with releases and interpretive letters issued by the SEC, the Fund does not treat its obligations under such transactions as senior securities representing indebtedness for purposes of the 1940 Act.

Recent Leverage Refinancing

AVK. On December 15, 2017, AVK terminated its existing borrowing facility and repaid the $150,000,000 loan amount outstanding thereunder. Concurrent with this termination and repayment on December 15, 2017, AVK entered into a new senior secured credit agreement and an amended and restated reverse repurchase agreement with Société Générale.

Under the terms of the new credit agreement, AVK’s credit facility is as follows: 175-day evergreen maturity floating rate: $20,000,000; 3-year maturity fixed rate: $65,000,000; and 5-year maturity fixed rate: $65,000,000. The interest rates on the credit facility are as follows: 175-day evergreen floating: 3-month LIBOR + 0.85%; 3-year fixed: 3.43%; and 5-year fixed: 3.83%. AVK pays a commitment fee on the undrawn portion of the 175-day evergreen facility in the amount of 0.25% per annum.

Under the terms of the new reverse repurchase agreement, entered into on December 15, 2017 and amended on March 14, 2018, AVK's reverse repurchase facility is as follows: 175-day evergreen floating: $33,000,000; 3-year fixed: $32,000,000; and 5-year fixed: $32,000,000. The interest rate on each tranche of the reverse repurchase agreement is the same as the rate on the credit-facility tranche of the same tenor and rate type.

AGC. On December 15, 2017, AGC terminated its existing borrowing facility and repaid the $80,000,000 loan amount outstanding thereunder. Concurrent with this termination and repayment on December 15, 2017, AGC entered into a new senior secured credit agreement and an amended and restated reverse repurchase agreement with Société Générale.

Under the terms of the new credit agreement, AGC’s credit facility is as follows: 175-day evergreen maturity floating rate: $10,000,000; 3-year maturity fixed rate: $35,000,000; and 5-year maturity fixed rate: $35,000,000. The interest rates on the credit facility are as follows: 175-day evergreen floating: 3-month LIBOR + 0.85%; 3-year fixed: 3.43%; and 5-year fixed: 3.83%. AGC pays a commitment fee on the undrawn portion of the 175-day evergreen facility in the amount of 0.25% per annum.

Under the terms of the new reverse repurchase agreement entered into on December 15, 2017 and amended on March 14, 2018, AGC’s reverse repurchase facility is as follows: 175-day evergreen floating: $21,000,000; 3-year fixed: $17,000,000 and 5-year fixed: $17,000,000. The interest rate on each tranche of the reverse repurchase agreement is the same as the rate on the credit-facility tranche of the same tenor and rate type.

LCM. On February 9, 2018, LCM terminated its existing borrowing facility and repaid the $35,000,000 loan amount outstanding thereunder. Concurrent with this termination and repayment on February 9, 2018, LCM entered into a new senior secured credit agreement and an amended and restated reverse repurchase agreement with Société Générale.

Under the terms of the new credit agreement, LCM’s credit facility is as follows: 175-day evergreen maturity floating rate: $7,000,000; 3-year maturity fixed rate: $14,000,000; and 5-year maturity fixed rate: $14,000,000. The interest rates on the credit facility are as follows: 175-day evergreen floating: 3-month LIBOR + 0.85%; 3-year fixed: 3.83%; and 5-year fixed: 4.30%. LCM pays a commitment fee on the undrawn portion of the 175-day evergreen facility in the amount of 0.25% per annum.

Post-Refinancing Outstanding Leverage. As of February 9, 2018, after giving effect to the leverage refinancings, each Fund had outstanding leverage as follows:

Fund	Title of Security	Total Principal Amount Outstanding	Leverage Ratio (as a Percentage of Managed Assets)	Interest Rate
AGC	Borrowings	$80,000,000	26.8%	3.51%
	Reverse Repurchase Agreements	$45,000,000	15.1%	3.40%
	Total Leverage	$125,000,000	41.9%	3.47%
LCM	Borrowings	$35,000,000	29.9%	3.78%
AVK	Borrowings	$150,000,000	26.6%	3.50%
	Reverse Repurchase Agreements	$77,000,000	13.7%	3.47%
	Total Leverage	$227,000,000	40.3%	3.49%

The Combined Fund's outstanding leverage, as a percentage of Managed Assets, is expected to be substantially similar to AVK's current leverage ratio. Each Fund's (and the Combined Fund's) allocation of its total leverage between borrowings and reverse repurchase agreements may vary over time. At any given time, including upon the closing of the Mergers, the Funds' allocation of leverage between borrowings and reverse repurchase agreements may differ materially from the allocation as of October 31, 2017 or February 9, 2018, as set forth above.

Borrowings

Each Fund is authorized to borrow or issue debt securities for financial leveraging purposes and for temporary purposes such as the settlement of transactions. Each Fund may utilize indebtedness to the maximum extent permitted under the 1940 Act. Under the 1940 Act, a Fund generally is not permitted to issue commercial paper or notes or engage in other borrowings unless, immediately after the borrowing, the Fund would have asset coverage (as defined in the 1940 Act) of less than 300%, i.e., the value of the Fund's total assets less liabilities other than the principal amount represented by commercial paper, notes or other borrowings, is at least 300% of such principal amount. In addition, other than with respect to privately arranged borrowings, the Fund is not permitted to declare any cash dividend or other distribution on the common shares unless, at the time of such declaration, the value of the Fund's total assets, less liabilities other than the principal amount represented by borrowings, is at least 300% of such principal amount after deducting the amount of such dividend or other distribution. If a Fund borrows, the Fund intends, to the extent possible, to prepay all or a portion of the principal amount of any outstanding commercial paper, notes or other borrowings to the extent necessary to maintain the required asset coverage.

The terms of any such borrowings may require a Fund to pay a fee to maintain a line of credit, such as a commitment fee, or to maintain minimum average balances with a lender. Any such requirements would increase the cost of such borrowings over the stated interest rate. Such lenders would have the right to receive interest on and repayment of principal of any such borrowings, which right will be senior to those of the common shareholders. Any such borrowings may contain provisions limiting certain activities of the Fund, including the payment of dividends to common shareholders in certain circumstances.

Certain types of borrowings subject the Fund to covenants in credit agreements relating to asset coverage and portfolio composition requirements. Certain borrowings also may subject the Fund to certain restrictions on investments imposed by guidelines of one or more rating agencies, which may issue ratings for such borrowings. Such guidelines may impose asset coverage or portfolio composition requirements that are more stringent than those imposed by the 1940 Act.

The 1940 Act grants to the holders of senior securities representing indebtedness, other than with respect to privately arranged borrowings, certain voting rights in the event of default in the payment of interest on or repayment of principal. Failure to maintain certain asset coverage requirements under the 1940 Act could result in an event of default and entitle the debt holders to elect a majority of the Board.

Credit Facility. The terms of each Fund's credit facility are substantially the same. Each Fund's borrowings under the credit facility are collateralized by portfolio assets. The credit facility agreement includes usual and customary covenants. These covenants impose on the Fund asset coverage requirements, collateral requirements, investment strategy requirements, and certain financial obligations. These covenants place limits or restrictions on the Fund's ability to (i) enter into additional indebtedness with a party other than Société Générale, (ii) change its fundamental investment policies, or (iii) pledge to any other party, other than to the counterparty, securities owned or held by the Fund over which the counterparty has a lien. In addition, the Fund is required to deliver financial information to the counterparty within established deadlines, maintain an asset coverage ratio (as defined in Section 18(g) of the 1940 Act) greater than 300%, comply with the rules of the stock exchange on which its shares are listed, and maintain its classification as a "closed-end management investment company" as defined in the 1940 Act.

In connection with the Mergers, the Acquiring Fund expects to amend its credit facility agreement to increase the maximum commitment amount to maintain outstanding leverage of the Combined Fund, as a percentage of its Managed Assets, substantially similar to the Acquired Fund's current leverage ratio. Société Générale has consented to the Mergers. However, there can be no assurance the Combined Fund will be able to increase the maximum commitment amount under the credit facility or do so on terms favorable to the Combined Fund. If the Combined Fund does not increase the maximum commitment amount under the credit facility, then the Combined Fund may be required to either utilize other forms of leverage, which may include reverse repurchase agreements, in order to maintain a leverage ratio that is substantially similar to AVK's current leverage ratio or reduce the Combined Fund's leverage ratio. In either case, the Combined Fund may not be able to maintain the current distribution rates of AVK, which may negatively affect the market price and NAV of the Combined Fund. In addition, if the Combined Fund is required to reduce its leverage, then it may be required to sell a portion of its assets, which may negatively affect the Combined Fund's portfolio holdings, portfolio allocation, portfolio diversification and investment strategy.

Reverse Repurchase Agreements

Under a reverse repurchase agreement, a Fund sells a portfolio instrument to another party, such as a bank or broker-dealer, in return for cash. At the same time, the Fund agrees to repurchase the instrument at an agreed upon time and price, which reflects an interest payment. Such agreements have the economic effect of borrowings. Proceeds of the sale will be invested in additional instruments for the Fund, and the income from these investments will generate income for the Fund. If such income does not exceed the income, capital appreciation and gain or loss that would have been realized on the securities sold as part of the reverse repurchase transaction, the use of this technique will diminish the investment performance of the Fund compared with what the performance would have been without the use of reverse repurchase transactions. With respect to any reverse repurchase agreement, the Fund's Managed Assets shall include any proceeds from the sale of an asset of the Fund to a counterparty in such a transaction, in addition to the value of the underlying asset as of the relevant measuring date. With respect to leverage incurred through investments in reverse repurchase agreements and economically similar transactions, each Fund earmarks or segregates cash or liquid securities in accordance with applicable interpretations of the staff of the SEC. As a result of such segregation, the Funds obligations under such transactions will not be considered senior securities representing indebtedness for purposes of the 1940 Act and the Fund's use of leverage through reverse repurchase agreements and economically similar transactions will not be limited by the 1940 Act.

Reverse repurchase agreements involve the risks that the interest income earned on the investment of the proceeds will be less than the interest expense and expenses associated with the repurchase agreement, that the market value of the securities sold by a Fund may decline below the price at which the Fund is obligated to repurchase such securities and that the securities may not be returned to the Fund. There is no assurance that reverse repurchase agreements can be successfully employed. In connection with reverse repurchase agreements, the Fund will also be subject to counterparty risk with respect to the purchaser of the securities. If the broker/dealer to whom the Fund sells securities becomes insolvent, the Fund's right to purchase or repurchase securities may be restricted.

Derivatives

In addition, each Fund may engage in certain derivatives transactions that have economic characteristics similar to leverage. To the extent the terms of such transactions obligate the Fund to make payments, the Fund intends to earmark or segregate cash or liquid securities in an amount at least equal to the current value of the amount then payable by the Fund under the terms of such transactions or otherwise cover such transactions in accordance with applicable interpretations of the staff of the SEC. To the extent the terms of such transactions obligate the Fund to

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deliver particular securities to extinguish the Fund's obligations under such transactions the Fund may "cover" its obligations under such transactions by either (i) owning the securities or collateral underlying such transactions or (ii) having an absolute and immediate right to acquire such securities or collateral without additional cash consideration (or, if additional cash consideration is required, having earmarked or segregated cash or liquid securities). Such segregation or cover is intended to provide the Fund with available assets to satisfy its obligations under such transactions. As a result of such segregation or cover, the Fund's obligations under such transactions will not be considered senior securities representing indebtedness for purposes of the 1940 Act, or included in calculating the aggregate amount of the Fund's Financial Leverage. To the extent that the Fund's obligations under such transactions are not so segregated or covered, such obligations may be considered "senior securities representing indebtedness" under the 1940 Act and therefore subject to the 300% asset coverage requirement.

Preferred Shares

Each Fund's governing documents provide that the Board may authorize and issue preferred shares with rights as determined by the Board, by action of the Board without prior approval of the holders of the common shares. Common shareholders have no preemptive right to purchase any preferred shares that might be issued. Any such preferred share offering would be subject to the limits imposed by the 1940 Act. Each Fund has no present intention to issue preferred shares, although it may do so in the future.

Effects of Leverage

Assuming that leverage will represent approximately 38% of the Combined Fund's Managed Assets and that the Combined Fund will bear expenses relating to that leverage at an average annual rate of 3.53%, the income generated by the Combined Fund's portfolio (net of estimated expenses) must exceed 2.24% in order to cover the expenses specifically related to the Combined Fund's estimated use of leverage. Of course, these numbers are merely estimates used for illustration. Actual leverage expenses will vary frequently and may be significantly higher or lower than the rate estimated above.

The following table is furnished in response to requirements of the SEC. It is designed to illustrate the effect of leverage on common share total return, assuming investment portfolio total returns (comprised of income and changes in the value of securities held in the Combined Fund's portfolio) of (10)%, (5)%, 0%, 5% and 10%. These assumed investment portfolio returns are hypothetical figures and are not necessarily indicative of the investment portfolio returns experienced or expected to be experienced by the Combined Fund. The table further reflects the use of leverage representing 38% of the Combined Fund's total managed assets and the Combined Fund's currently projected annual leverage expense of 3.53%.

Assumed Portfolio Total Return (net of expenses)	(10)%	(5)%	0%	5%	10%
Common Share Total Return	(18.29)%	(10.23)%	(2.16)%	5.90%	13.97%

Common share total return is composed of two elements: the common share distributions paid by the Combined Fund (the amount of which is largely determined by the net investment income of the Combined Fund) and gains or losses on the value of the securities the Combined Fund owns. As required by SEC rules, the table assumes that the Combined Fund is more likely to suffer capital losses than to enjoy capital appreciation. For example, a total return of 0% assumes that the tax-exempt interest the Combined Fund receives on its investments is entirely offset by losses in the value of those securities.

RISK FACTORS

Risks Related to the Mergers

Expenses. While the Funds currently estimate that the Mergers will result in reduced aggregate expenses of the Combined Fund, the realization of these reduced expenses will not affect holders of the Funds proportionately, and may take longer than expected to be realized or may not be realized at all. The Combined Fund may incur higher Total Expenses for a period after the completion of the Mergers due to expenses associated with the Mergers prior to experiencing such savings or may never experience such savings if its fixed costs were to increase or the value of its assets were to decrease.

There can be no assurance that future expenses will not increase or that any estimated expense savings will be realized. Moreover, the level of expense savings (if any) will vary depending upon the combination of the proposed Mergers.

The expected combination is the Mergers of all of the Funds, which is also expected to result in the lowest Total Expense Ratio. The Merger of just LCM into the Acquiring Fund is expected to result in the highest Total Expense Ratio of any of the possible combinations of the Mergers, although the resulting Total Expense Ratio is still expected to be lower than the current total expense ratio of the Funds. The Merger of just AGC into the Acquiring Fund is expected to result in a Total Expense Ratio that is lower than the Total Expense Ratio that is expected to result from the Merger of just LCM into the Acquiring Fund and equal to the Total Expense Ratio that is expected to result from the Merger of all the Funds.

Each Fund will bear expenses incurred in connection with the Mergers. Because each Fund has already incurred expenses attributable to the Mergers and because the Funds are responsible for paying those expenses, if a Fund's respective shareholders do not approve their Fund's respective Merger, such Fund will continue to be responsible for the expenses arising from its proposed Merger even though its proposed Merger will not occur and those expenses may be material.

Neither the Funds nor the Management Entities will pay any expenses of shareholders arising out of or in connection with the Mergers (e.g., expenses incurred by the shareholder as a result of attending the shareholder meeting, voting on the Mergers or other action taken by the shareholder in connection with the Mergers). See "Reasons for the Mergers."

Premium/Discount to NAV. As with any capital stock, the price of each Fund's common shares will fluctuate based on market conditions and other factors. If shares are sold, the price received may be more or less than the original investment. Each Fund's common shares are designed for long-term investors and should not be treated as trading vehicles. Shares of closed-end management investment companies frequently trade at a discount from their NAV. This risk may be greater for investors who sell their shares in a relatively short period of time after completion of the Mergers.

The common shares of each Fund have historically fluctuated between a discount and a premium. As of March 19, 2018, each Fund traded at a discount to its respective NAV. To the extent that a Target Fund is trading at a wider discount (or a narrower premium) than the Acquiring Fund at the time of its Merger, such Target Fund's shareholders would have the potential for an economic benefit. To the extent that a Target Fund is trading at a narrower discount (or wider premium) than the Acquiring Fund at the time of its Merger, such Target Fund's shareholders may be negatively impacted if the Mergers are consummated. The Acquiring Fund's shareholders would only benefit from a discount perspective to the extent the post-Merger discount (or premium) improves.

There can be no assurance that, after the Mergers, common shares of the Combined Fund will trade at, above or below NAV. Upon consummation of the Mergers, the Acquiring Fund Shares may trade at a price that is less than the Acquiring Fund's current trading market price. In the Mergers, shareholders of each Target Fund will receive common shares of the Acquiring Fund based on the relative NAVs (not the market values) of each respective Fund's common shares. The market value of the common shares of the Combined Fund may be less than the market value of the common shares of your Fund prior to the Mergers.

Tax Considerations. See "U.S. Federal Income Tax Consequences of the Mergers" for a summary of certain U.S. federal income tax consequences of the Mergers.

General Risks of Investing in the Funds

Not A Complete Investment Program. An investment in each Fund's common shares should not be considered a complete investment program. The Funds are intended for long-term investors. An investment in a Fund is not meant to provide a vehicle for those who wish to play short-term swings in the market. Common shareholders should take into account each Fund's investment objectives as well as the common shareholder's other investments when considering an investment in a Fund. Before making an investment decision, a prospective investor should consider (i) the suitability of this investment with respect to his or her investment objectives and personal situation and (ii) factors such as his or her personal net worth, income, age, risk tolerance and liquidity needs.

Investment And Market Risk. An investment in each Fund's common shares is subject to investment risk, including the possible loss of the entire principal amount that you invest. An investment in each Fund's common shares represents an indirect investment in the securities owned by such Fund. The value of the securities owned by each Fund may fluctuate, sometimes rapidly and unpredictably, which will affect the NAV and may affect the market price of the common shares. The value of securities owned by each Fund may decline due to general market conditions that are not specifically related to a particular issuer, such as real or perceived economic conditions, changes in interest or currency rates or changes in investor sentiment or market outlook generally. At any point in time, your common shares may be worth less than your original investment, including the reinvestment of the Fund's dividends and distributions.

Market Discount Risk. Shares of closed-end management investment companies frequently trade at a discount from their NAV, which is a risk separate and distinct from the risk that a Fund's NAV could decrease as a result of its investment activities. Although the value of a Fund's net assets is generally considered by market participants in determining whether to purchase or sell common shares, and at what price to do so, whether investors will realize gains or losses upon the sale of common shares will depend entirely upon whether the market price of common shares at the time of sale is above or below the investor's purchase price for common shares. Because the market price of common shares will be determined by factors such as NAV, dividend and distribution levels (which are dependent, in part, on expenses), supply of and demand for common shares, stability of dividends or distributions, trading volume of common shares, general market and economic conditions and other factors beyond the control of each Fund, each Fund cannot predict whether common shares will trade at, below or above NAV or at, below or above an investor's initial purchase price for common shares.

Convertible Securities Risk. Convertible securities are hybrid securities that combine the investment characteristics of bonds and common stocks. Convertible securities involve risks similar to those of both fixed income and equity securities. In a corporation's capital structure, convertible securities are senior to common stock, but are usually subordinated to senior debt obligations of the issuer.

The market value of a convertible security is a function of its "investment value" and its "conversion value." A security's "investment value" represents the value of the security without its conversion feature (i.e., a nonconvertible fixed income security). The investment value may be determined by reference to its credit quality and the current value of its yield to maturity or probable call date. At any given time, investment value is dependent upon such factors as the general level of interest rates, the yield of similar nonconvertible securities, the financial strength of the issuer, and the seniority of the security in the issuer's capital structure. A security's "conversion value" is determined by multiplying the number of shares the holder is entitled to receive upon conversion or exchange by the current price of the underlying security. If the conversion value of a convertible security is significantly below its investment value, the convertible security will trade like nonconvertible debt or preferred stock and its market value will not be influenced greatly by fluctuations in the market price of the underlying security. In that circumstance, the convertible security takes on the characteristics of a bond, and its price moves in the opposite direction from interest rates. Conversely, if the conversion value of a convertible security is near or above its investment value, the market value of the convertible security will be more heavily influenced by fluctuations in the market price of the underlying security. In that case, the convertible security's price may be as volatile as that of common stock. Because both interest rates and market movements can influence its value, a convertible security generally is not as sensitive to interest rates as a similar fixed income security, nor is it as sensitive to changes in share price as its underlying equity security. Convertible securities are often rated below investment grade or are not rated.

Although all markets are prone to change over time, the generally high rate at which convertible securities are retired (through mandatory or scheduled conversions by issuers or through voluntary redemptions by holders) and replaced with newly issued convertibles may cause the convertible securities market to change more rapidly than other markets. For example, a concentration of available convertible securities in a few economic sectors could elevate the sensitivity of the convertible securities market to the volatility of the equity markets and to the specific risks of those sectors. Moreover, convertible securities with innovative structures, such as mandatory-conversion securities and equity-linked securities, have increased the sensitivity of the convertible securities market to the volatility of the equity markets and to the special risks of those innovations, which may include risks different from, and possibly greater than, those associated with traditional convertible securities. A convertible security may be subject to redemption at the option of the issuer at a price set in the governing instrument of the convertible security.

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If a convertible security held by a Fund is subject to such redemption option and is called for redemption, such Fund must allow the issuer to redeem the security, convert it into the underlying common stock, or sell the security to a third party.

As a result of the conversion feature, convertible securities typically offer lower interest rates than if the securities were not convertible. During periods of rising interest rates, it is possible that the potential for capital gain on convertible securities may be less than that of a common stock equivalent if the yield on the convertible security is at a level that would cause it to sell at discount.

Also, in the absence of adequate anti-dilution provisions in a convertible security, dilution in the value of a Fund's holding may occur in the event the underlying stock is subdivided, additional securities are issued, a stock dividend is declared, or the issuer enters into another type of corporate transaction which increases its outstanding securities.

Structured and Synthetic Convertible Securities Risk. The value of structured and synthetic convertible securities can be affected by interest rate changes and credit risks of the issuer. Such securities may be structured in ways that limit their potential for capital appreciation and the entire value of the security may be at a risk of loss depending on the performance of the underlying equity security. Structured and synthetic convertible securities may be less liquid than other convertible securities. The value of a synthetic convertible security will respond differently to market fluctuations than a convertible security because a synthetic convertible security is composed of two or more separate securities, each with its own market value. In addition, if the value of the underlying common stock or the level of the index involved in the convertible component falls below the exercise price of the warrant or option, the warrant or option may lose all value.

Equity Securities Risk. Equity securities risk is the risk that the value of the securities held by a Fund will fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by a Fund participate or factors relating to specific companies in which a Fund invests. Stock of an issuer in a Fund's portfolio may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition. Common stock in which each Fund may invest is structurally subordinated to preferred stock, bonds and other debt instruments in a company's capital structure, in terms of priority to corporate income, and therefore will be subject to greater dividend risk than preferred stock or debt instruments of such issuers. In addition, while common stock has historically generated higher average returns than fixed income securities, common stock has also experienced significantly more volatility in those returns. An adverse event, such as an unfavorable earnings report, may depress the value of common stock of an issuer held by a Fund. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. These investor perceptions are based on various and unpredictable factors including expectations regarding: government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction; and global or regional political, economic and banking crises.

Interest Rate Risk. Convertible securities and non-convertible income-producing securities (including preferred stock and debt securities) (collectively "income securities") are subject to certain interest rate risks, including:

- If interest rates go up, the value of income securities in each Fund's portfolio generally will decline. These risks may be greater in the current market environment because interest rates are near historically low levels.
- During periods of declining interest rates, the issuer of an income security may exercise its option to prepay principal earlier than scheduled, forcing a Fund to reinvest in lower yielding income securities. This is known as call or prepayment risk. Lower grade income securities have call features that allow the issuer to repurchase the security prior to its stated maturity. An issuer may redeem a lower grade income security if the issuer can refinance the security at a lower cost due to declining interest rates or an improvement in the credit standing of the issuer.
- During periods of rising interest rates, the average life of certain types of income securities may be extended because of slower than expected principal payments. This may lock in a below market interest rate, increase the security's duration (the estimated period until the security is paid in full) and reduce the value of the security. This is known as extension risk.

Credit Risk. Credit risk is the risk that one or more income securities in a Fund's portfolio will decline in price, or fail to pay interest or principal when due, because the issuer of the security experiences a decline in its financial status. Each Fund's investments in income securities involve credit risk. However, in general, lower rated, lower grade and noninvestment grade income securities carry a greater degree of risk that the issuer will lose its ability to make interest and principal payments, which could have a negative impact on a Fund's NAV or dividends.

Lower Grade Securities Risk. Investing in lower grade and non-investment grade securities involves additional risks. Securities of below investment grade quality are commonly referred to as "junk bonds" or "high yield securities." Investment in securities of below investment grade quality involves substantial risk of loss. Securities of below investment grade quality are predominantly speculative with respect to the issuer's capacity to pay interest and repay principal when due and therefore involve a greater risk of default or decline in market value due to adverse economic and issuer-specific developments. Issuers of below investment grade securities are not perceived to be as strong financially as those with higher credit ratings. Issuers of lower grade securities may be highly leveraged and may not have available to them more traditional methods of financing. Therefore, the risks associated with acquiring the securities of such issuers generally are greater than is the case with higher rated securities. These issuers are more vulnerable to financial setbacks and recession than more creditworthy issuers, which may impair their ability to make interest and principal payments. The issuer's ability to service its debt obligations also may be adversely affected by specific issuer developments, the issuer's inability to meet specific projected business forecasts or the unavailability of additional financing. Therefore, there can be no assurance that in the future there will not exist a higher default rate relative to the rates currently existing in the market for lower grade securities. The risk of loss due to default by the issuer is significantly greater for the holders of lower grade securities because such securities may be unsecured and may be subordinate to other creditors of the issuer. Securities of below investment grade quality display increased price sensitivity to changing interest rates and to a deteriorating economic environment. The market values for securities of below investment grade quality tend to be more volatile and such securities tend to be less liquid than investment grade debt securities. To the extent that a secondary market does exist for certain below investment grade securities, the market for them may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods.

Debt Securities Risk. Debt securities are subject to a variety of risks, such as interest rate risk, income risk, call/prepayment risk, inflation risk, credit risk, and (in the case of foreign securities) country risk and currency risk. The reorganization of an issuer under the federal bankruptcy laws may result in the issuer's debt securities being cancelled without repayment, repaid only in part, or repaid in part or in whole through an exchange thereof for any combination of cash, debt securities, convertible securities, equity securities, or other instruments or rights in respect of the same issuer or a related entity.

Preferred Securities Risk. There are special risks associated with investing in preferred securities, including:

- Deferral. Preferred securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If a Fund owns a preferred security that is deferring its distributions, such Fund may be required to report income for tax purposes although it has not yet received such income.
- Non-Cumulative Dividends. Some preferred stocks are non-cumulative, meaning that the dividends do not accumulate and need not ever be paid. A portion of the portfolio may include investments in non-cumulative preferred securities, whereby the issuer does not have an obligation to make up any arrearages to its shareholders. Should an issuer of a non-cumulative preferred stock held by a Fund determine not to pay dividends on such stock, the amount of dividends such Fund pays may be adversely affected. There is no assurance that dividends or distributions on noncumulative preferred stocks in which a Fund invests will be declared or otherwise made payable.
- Subordination. Preferred securities are subordinated to bonds and other debt instruments in a company's capital structure in terms of priority to corporate income and liquidation payments, and therefore will be subject to greater credit risk than more senior debt instruments.

- Liquidity. Preferred securities may be substantially less liquid than many other securities, such as common stocks or U.S. government securities.
- Limited Voting Rights. Generally, preferred security holders (such as a Fund) have no voting rights with respect to the issuing company unless preferred dividends have been in arrears for a specified number of periods, at which time the preferred security holders may have the right to elect a number of directors to the issuer's board. Generally, once all the arrearages have been paid, the preferred security holders no longer have voting rights.
- Special Redemption Rights. In certain varying circumstances, an issuer of preferred securities may redeem the securities prior to a specified date. For instance, for certain types of preferred securities, a redemption may be triggered by a change in federal income tax or securities laws. As with call provisions, a redemption by the issuer may negatively impact the return of the security held by a Fund.

Foreign Securities Risk. Investing in foreign issuers or securities denominated in non-U.S. currencies may involve certain risks not typically associated with investing in securities of U.S. issuers due to increased exposure to foreign economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), confiscatory taxation, political or social instability, illiquidity, price volatility, market manipulation, expropriation or nationalization of assets, imposition of withholding taxes on payments, and possible difficulty in obtaining and enforcing judgments against foreign entities. Furthermore, issuers of foreign securities and obligations are subject to different, often less comprehensive, accounting, reporting and disclosure requirements than domestic issuers. The securities and obligations of some foreign companies and foreign markets are less liquid and at times more volatile than comparable U.S. securities, obligations and markets. Securities markets in foreign countries often are not as developed, efficient or liquid as securities markets in the United States, and therefore, the prices of foreign securities can be more volatile. Certain foreign countries may impose restrictions on the ability of issuers to make payments of principal and interest to investors located outside the country. In the event of nationalization, expropriation or other confiscation, a Fund could lose its entire investment in a foreign security. Transaction costs of investing outside the U.S. are generally higher than in the U.S. Higher costs result because of the cost of converting a foreign currency to dollars, the payment of fixed brokerage commissions on some foreign exchanges and the imposition of transfer taxes or transaction charges by foreign exchanges. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect a Fund's performance. Foreign brokerage commissions and other fees are also generally higher than in the United States. There are also special tax considerations which apply to securities and obligations of foreign issuers and securities and obligations principally traded overseas. These risks may be more pronounced to the extent that a Fund invests a significant amount of its assets in companies located in one country or geographic region, in which case such Fund may be more exposed to regional economic risks, and to the extent that such Fund invests in securities of issuers in emerging markets.

Emerging Markets Risk. Investments in securities the issuers of which are located in countries considered to be emerging markets are subject to heightened risks relative to foreign investing generally and are considered speculative. Investing in emerging market countries involves certain risks not typically associated with investing in the United States, and it imposes risks greater than, or in addition to, risks of investing in more developed foreign countries. These risks include, but are not limited to, the following: greater risks of nationalization or expropriation of assets or confiscatory taxation; currency devaluations and other currency exchange rate fluctuations; greater social, economic, and political uncertainty and instability (including amplified risk of war and terrorism); more substantial government involvement in the economy; less government supervision and regulation of the securities markets and participants in those markets, and possible arbitrary and unpredictable enforcement of securities regulations; controls on foreign investment and limitations on repatriation of invested capital and on a Fund's ability to exchange local currencies for U.S. dollars; unavailability of currency-hedging techniques in certain emerging market countries; the fact that companies in emerging market countries may be smaller, less seasoned, or newly organized; the difference in, or lack of, auditing and financial reporting standards, which may result in unavailability of material information about issuers; the risk that it may be more difficult to obtain and/or enforce a judgment in a court outside the United States; and greater price volatility, substantially less liquidity, and significantly smaller market capitalization of securities markets. Compared to developed countries, emerging market countries may have relatively unstable governments, economies based on only a few industries and securities markets that trade a small

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number of securities. Securities issued by companies located in emerging market countries tend to be especially volatile and may be less liquid than securities traded in developed countries. In the past, securities in these countries have been characterized by greater potential loss than securities of companies located in developed countries. Foreign investment in certain emerging market countries may be restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment in certain emerging market issuers and increase the costs and expenses of a Fund. Certain emerging market countries require governmental approval prior to investments by foreign persons in a particular issuer, limit the amount of investment by foreign persons in a particular issuer, limit the investment by foreign persons only to a specific class of securities of an issuer that may have less advantageous rights than the classes available for purchase by domiciliaries of the countries and/or impose additional taxes on foreign investors.

Investments in issuers located in emerging markets pose a greater degree of systemic risk. The inter-relatedness of institutions within a country and among emerging market economies has increased in recent years. Institutional failures or economic difficulties may spread throughout a country, region or emerging market countries throughout the world, which may limit the ability of each Fund to manage risk through geographic diversification. Bankruptcy law and creditor reorganization processes may differ substantially from those in the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims.

Foreign Currency Risk. Each Fund's investment performance may be negatively affected by a devaluation of a currency in which such Fund's investments are denominated or quoted. Further, each Fund's investment performance may be significantly affected, either positively or negatively, by currency exchange rates because the U.S. dollar value of securities denominated or quoted in another currency will increase or decrease in response to changes in the value of such currency in relation to the U.S. dollar. Foreign currency rates may fluctuate significantly over short periods of time for various reasons, including changes in interest rates, inflation, balance of payments, governmental surpluses or deficits, intervention or non-intervention by U.S. or foreign governments, central banks or supranational entities, the imposition of currency controls and political developments in the U.S. and abroad. Each Fund may, but is not required, to seek to protect itself from changes in currency exchange rates through hedging transactions depending on market conditions. There can be no assurance that such strategies will be available or will be used by each Fund or, if used, will be successful. Certain countries, particularly emerging market countries, may impose foreign currency exchange controls or other restrictions on the repatriation, transferability or convertibility of currency. Each Fund may attempt within the parameters of currency and exchange controls that may be in effect, to obtain rights to exchange its invested capital, dividends, interest, fees, other distributions and capital gains into convertible currencies. Further, each Fund may incur costs in connection with conversions between various currencies. Foreign exchange rates have been highly volatile in recent years. The combination of volatility and leverage gives rise to the possibility of large profit and large loss. In addition, there is counterparty risk since currency trading is done on a principal to principal basis.

Illiquid Securities Risk. Illiquid securities may be difficult to dispose of at a fair price at the times when a Fund believes it is desirable to do so. The market price of illiquid securities generally is more volatile than that of more liquid securities, which may adversely affect the price that a Fund pays for or recovers upon the sale of illiquid securities. Illiquid securities are also more difficult to value and the manager's judgment may play a greater role in the valuation process. Investment of a Fund's assets in illiquid securities may restrict such Fund's ability to take advantage of market opportunities. The risks associated with illiquid securities may be particularly acute in situations in which a Fund's operations require cash and could result in such Fund borrowing to meet its short-term needs or incurring losses on the sale of illiquid securities. Although many of the Rule 144A Securities in which a Fund invests may be, in the view of the manager, liquid, if qualified institutional buyers are unwilling to purchase these Rule 144A Securities, they may become illiquid.

Private Securities Risks. Investments in private securities are subject to certain additional risks:

- Private Companies Risk. Private companies are not subject to SEC reporting requirements, are not required to maintain their accounting records in accordance with generally accepted accounting principles, and are not required to maintain effective internal controls over financial reporting. As a result, Advent may not have timely or accurate information about the business, financial condition and results of operations of the private companies in which a Fund invests. There is risk that a Fund may

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invest on the basis of incomplete or inaccurate information, which may adversely affect the Fund's investment performance. Private companies in which a Fund may invest may have limited financial resources, shorter operating histories, more asset concentration risk, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. These companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. These companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity. Private companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the company. The Funds generally do not intend to hold controlling positions in the private companies in which it invests. As a result, the Funds are subject to the risk that a company may make business decisions with which the Funds disagree, and that the management and/or stockholders of a portfolio company may take risks or otherwise act in ways that are adverse to the Funds' interests. Due to the lack of liquidity of such private securities, a Fund may not be able to dispose of its investments in the event it disagrees with the actions of a portfolio company and may therefore suffer a decrease in the value of the investment. To the extent that a Fund invests in private securities that are unrated, such Fund's ability to achieve its investment objectives will be more dependent on Advent's credit analysis than would be the case when a Fund invests in rated securities.

- Conflicts of Interest. Advent intends to seek other clients (including separately managed accounts and pooled investment vehicles) focused on investment strategies involving investment in private securities private credit strategies ("Other Clients"). Advent may receive fees from Other Clients that are higher than the fees received from the Funds, and/or receive a performance-based fee on certain Other Clients. In those instances, Advent has an incentive to favor the higher and/or performance-based fee accounts over the Funds. Although Advent's private securities investment team will devote as much time to each Fund as Advent deems appropriate, the private credit team may have conflicts in allocating their time and services among a Fund and Other Clients. Advent is not obligated to allocate all investment opportunities that may be appropriate for a Fund to such Fund. Allocation of investment opportunities among the Funds and the Other Accounts will be subject to Advent's allocation procedures which generally provide that investments will be allocated on a fair and equitable basis over time, having regard to such matters as available capital, relative exposure to market trends, risk tolerance, expected duration of the investment and/or lifecycle of the account, the investment parameters, guidelines, concentration limits and other limitations established by the accounts, and applicable tax and regulatory considerations. The 1940 Act limits each Fund's ability to enter into certain transactions with certain of its affiliates. As a result of these restrictions, each Fund may be prohibited from buying or selling any security directly from or to a portfolio company of an account managed by Advent. The 1940 Act also prohibits certain "joint" transactions with certain of the Funds' affiliates, which could include investments in the same portfolio company (whether at the same or different times). The analysis of whether a particular transaction constitutes a joint transaction requires a review of the relevant facts and circumstances then existing. These limitations may limit the scope of investment opportunities that would otherwise be available to a Fund. In light of these regulatory considerations and potential conflicts of interest, certain investments may be unavailable to a Fund or may be allocated among a Fund and Other Clients on a rotational basis, resulting in a Fund not participating in certain investment opportunities. Situations may occur where a Fund may be deemed to have possession of material non-public information, including material non-public information concerning specific companies, as a result of other activities by Advent, including on behalf of Other Clients. Under applicable securities laws, this may limit Advent's ability to buy or sell securities issued by such companies and a Fund may be unable to engage in certain transactions it would otherwise find attractive, or may be able to engage in such transactions only during limited periods of time.

- Lack of History in Private Investments. While Advent's private securities investment team has significant experience in private transactions, Advent as a whole does not have a history in private transactions.
- Valuation Risk. Markets for certain private securities may be limited or unavailable. As a result, such investments may be more difficult to value. Where market quotations are not readily available or deemed unreliable, a Fund will value securities in accordance with fair value procedures adopted by the Board of such Fund. Such valuations may be based on subjective inputs of Advent or such third parties. Valuation of private securities may require more research than for more liquid investments. In addition, elements of judgment may play a greater role in valuation in such cases than for investments with a more active secondary market because there is less reliable objective data available. In some cases, valuation of certain investments may be based upon models, indicative quotes or estimates of value and not actual executed historical trades. Reasonable efforts will be made to base such inputs on observable market prices and inputs but there can be no assurances that such information will be readily available. A security that is fair valued may be valued at a price higher or lower than the value determined by Advent or by other Funds using their own fair valuation procedures. Prices obtained by a Fund upon the sale of such securities may not equal the value at which such Fund carried the investment on its books, which would adversely affect the net asset value of the Fund. A Fund may incur costs in connection with valuing its investments, including costs associated with the retention of valuation firms to value certain of the Fund's investments.
- Operational Risks. A Fund is more reliant upon the ability of Advent to identify, research, analyze, negotiate and monitor private securities than is the case with investments in publicly traded securities. As little public information exists about many private companies, each Fund will be required to rely on Advent's diligence efforts to obtain adequate information to evaluate the potential risks and returns involved in investing in these companies. By investing a portion of its assets in private securities, a Fund's flexibility to respond to negative volatility and/or ability to de-lever may be limited. Investments in illiquid securities may limit the extent to which the Fund can utilize leverage. And such investments by a levered Fund creates higher risks relative to such investments by an unlevered Fund.
- Competition Risk. Many entities may potentially compete with a Fund in investing in private securities. Many of these competitors are substantially larger and have considerably greater financial, technical and marketing resources than the Funds. Some competitors may have a lower cost of Funds and access to funding sources that are not available to the Funds. In addition, some competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of, or different structures for, private investments than a Fund. Furthermore, many competitors are not subject to the regulatory restrictions that the 1940 Act imposes on the Funds.
- Co-Investment Risk. A Fund's investments in private securities will often be sourced and negotiated by third party investors. While Advent will conduct independent due diligence before entering into any such investment, a Fund's ability to realize a profit on such investments may more reliant on the expertise of the lead investor in the transaction. The valuation assigned to such an investment through application of the Fund's valuation procedures may differ from the valuation assigned to that investment by other co-investors.

Derivatives Transactions Risk. Each Fund may engage in various derivatives transactions for hedging and risk management purposes, to facilitate portfolio management and to earn income or enhance total return. The use of derivatives transactions to earn income or enhance total return may be particularly speculative. Derivative transactions entered into to seek to manage the risks of a Fund's portfolio of securities may have the effect of limiting the gains from favorable market movements. Losses on derivatives transactions may reduce a Fund's NAV and its ability to pay dividends if such losses are not offset by gains on a portfolio positions being hedged. Derivatives transactions involve risks. There may be imperfect correlation between the value of such instruments and the underlying assets. Derivatives transactions may be subject to risks associated with the possible default of the other party to the transaction. Derivative instruments may be illiquid. Certain derivatives transactions may have economic characteristics similar to leverage, in that relatively small market movements may result in large changes in the value of an investment. Certain derivatives transactions that involve leverage can result in losses that greatly exceed the amount originally invested. Furthermore, each Fund's ability to successfully use derivatives transactions depends on the manager's ability to predict pertinent market movements, which cannot be assured. The use of derivatives transactions may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation a Fund can realize on an investment or may cause a Fund to hold a security that it might otherwise sell. Derivatives transactions involve risks of mispricing or improper valuation. The documentation governing a derivative instrument or transaction may be unfavorable or ambiguous. Derivatives transactions may involve commissions and other costs, which may increase a Fund's expenses and reduce its return. Various legislative and regulatory initiatives may impact the availability, liquidity and cost of derivative instruments, limit or restrict the ability of each Fund to use certain derivative instruments or transact with certain counterparties as a part of its investment strategy, increase the costs of using derivative instruments or make derivative instruments less effective.

In connection with certain derivatives transactions, each Fund may be required to segregate liquid assets or otherwise cover such transactions and/or to deposit amounts as premiums or to be held in margin accounts. Such amounts may not otherwise be available to such Fund for investment purposes. Each Fund may earn a lower return on its portfolio than it might otherwise earn if it did not have to segregate assets in respect of, or otherwise cover, its derivatives transactions positions. To the extent a Fund's assets are segregated or committed as cover, it could limit such Fund's investment flexibility. Segregating assets and covering positions will not limit or offset losses on related positions.

Risk Associated with Covered Call Option Writing. There are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of a covered call option, each Fund forgoes, during the option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but has retained the risk of loss should the price of the underlying security decline. As a Fund writes covered calls over more of its portfolio, its ability to benefit from capital appreciation becomes more limited.

The value of options written by a Fund will be affected by, among other factors, changes in the value of underlying securities (including those comprising an index), changes in the dividend rates of underlying securities, changes in interest rates, changes in the actual or perceived volatility of the stock market and underlying securities and the remaining time to an option's expiration. The value of an option also may be adversely affected if the market for the option is reduced or becomes less liquid.

To the extent that there is a lack of correlation between the index options written by a Fund and such Fund's portfolio securities, movements in the indexes underlying the options positions may result in losses to such Fund, which may more than offset any gains received by such Fund from options premiums. Such sales would involve transaction costs borne by such Fund and may also result in realization of taxable gains.

With respect to exchange-traded options, there can be no assurance that a liquid market will exist when a Fund seeks to close out an option position on an options exchange. An absence of a liquid secondary market on an exchange may arise because: (i) there may be insufficient trading interest in certain options; (ii) restrictions may be imposed by an exchange on opening transactions or closing transactions or both; (iii) trading halts, suspensions or other restrictions may be imposed with respect to particular classes or series of options; (iv) unusual or unforeseen circumstances may interrupt normal operations on an exchange; (v) the facilities of an exchange or The Options Clearing Corporation (the "OCC") may not at all times be adequate to handle current trading volume; or (vi) one or more exchanges could, for economic or other reasons, decide or be compelled at some future date to discontinue the trading of options (or a particular class or series of options). If trading were discontinued, the secondary market on that exchange (or in that class or series of options) would cease to exist. In the event that a Fund were unable to close out a call option that it had written on a portfolio security, it would not be able to sell the underlying security unless the option expired without exercise.

Each Fund's options transactions will be subject to limitations established by each of the exchanges, boards of trade or other trading facilities on which the options are traded. These limitations govern the maximum number of options in each class which may be written or purchased by a single investor or group of investors acting in concert, regardless of whether the options are written or purchased on the same or different exchanges, boards of trade or other trading facilities or are held or written in one or more accounts or through one or more brokers. An exchange, board of trade or other trading facility may order the liquidation of positions found to be in excess of these limits, and it may impose other sanctions.

Each Fund may also write (sell) over-the-counter options ("OTC options"). Options written by a Fund with respect to non-U.S. securities, indices or sectors generally will be OTC options. OTC options differ from exchange-listed options in that they are entered into directly with the buyer of the option and not through an exchange or clearing organization that is interposed between a Fund and the counterparty. In an OTC option transaction exercise price, premium and other terms are negotiated between buyer and seller. OTC options generally do not have as much market liquidity as exchange-listed options. The OTC options written by a Fund will not be issued, guaranteed or cleared by the OCC. In addition, each Fund's ability to terminate the OTC options may be more limited than with exchange-traded options. Banks, broker-dealers or other financial institutions participating in such transaction may fail to settle a transaction in accordance with the terms of the option as written. In the event of default or insolvency of the counterparty, ae Fund may be unable to liquidate an OTC option position.

Counterparty Risk. Each Fund will be subject to credit risk with respect to the counterparties to the derivative contracts entered into by such Fund. If a counterparty becomes bankrupt or otherwise fails to perform its obligations under a derivative contract due to financial difficulties, a Fund may experience significant delays in obtaining any recovery under the derivative contract in bankruptcy or other reorganization proceeding. Each Fund may obtain only a limited recovery or may obtain no recovery in such circumstances. Concerns about, or a default by, one large market participant could lead to significant liquidity problems for other participants. If a counterparty's credit becomes significantly impaired, multiple requests for collateral posting in a short period of time could increase the risk that a Fund may not receive adequate collateral. The counterparty risk for cleared derivatives is generally lower than for uncleared over-the-counter derivatives transactions since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing organization for performance of financial obligations under the derivative contract. However, there can be no assurance that a clearing organization, or its members, will satisfy its obligations to a Fund.

Leverage Risk. The use of leverage may result in higher income to common shareholders over time; however, there can be no assurance that this expectations will be realized or that a leveraging strategy will be successful in any particular time period. Use of leverage creates an opportunity for increased income and capital appreciation but, at the same time, creates special risks. Leverage is a speculative technique that exposes each Fund to greater risk and increased costs than if it were not implemented. There can be no assurance that a leveraging strategy will be utilized or will be successful.

The use of leverage by a Fund will cause the NAV, and possibly the market price, of such Fund's common shares to fluctuate significantly in response to changes in interest rates and other economic indicators. As a result, the NAV and market price and dividend rate of the common shares of each Fund is likely to be more volatile than those of a closed-end management investment company that is not exposed to leverage. In a declining market the use of leverage may result in a greater decline in the NAV of the common shares than if the Fund were not leveraged.

Leverage will increase operating costs, which may reduce total return. Each Fund will have to pay interest on its indebtedness, if any, which may reduce the Fund's return. This interest expense may be greater than a Fund's return on the underlying investment, which would negatively affect the performance of such Fund. Increases in interest rates that a Fund must pay on its indebtedness will increase the cost of leverage and may reduce the return to common shareholders. This risk may be greater in the current market environment because interest rates are near historically low levels.

Certain types of indebtedness subject a Fund to covenants in credit agreements relating to asset coverage and portfolio composition requirements. Certain indebtedness issued by each Fund also may be subject to certain restrictions on investments imposed by guidelines of one or more rating agencies, which may issue ratings for such indebtedness. These guidelines may impose asset coverage or portfolio composition requirements that are more stringent than those imposed by the 1940 Act.

Reverse repurchase agreements involve the risks that the interest income earned on the investment of the proceeds will be less than the interest expense and Fund expenses associated with the repurchase agreement, that the market value of the securities sold by a Fund may decline below the price at which such Fund is obligated to repurchase such securities and that the securities may not be returned to s Fund. There is no assurance that reverse repurchase agreements can be successfully employed. In connection with reverse repurchase agreements, each Fund will also be subject to counterparty risk with respect to the purchaser of the securities. If the broker/dealer to whom a Fund sells securities becomes insolvent, such Fund's right to purchase or repurchase securities may be restricted.

Each Fund may have leverage outstanding during a shorter-term period during which such leverage may not be beneficial to a Fund if such Fund believes that the long-term benefits to common shareholders of such leverage would outweigh the costs and portfolio disruptions associated with redeeming and reissuing such leverage. However, there can be no assurance that a Fund's judgment in weighing such costs and benefits will be correct.

During the time in which a Fund is utilizing leverage, the amount of the fees paid for investment advisory services will be higher than if such Fund did not utilize leverage because the fees paid will be calculated based on such Fund's managed assets, including proceeds of leverage. This may create a conflict of interest between the manager and the common shareholders, as common shareholders bear the portion of the investment advisory fee attributable to the assets purchased with the proceeds of leverage, which means that common shareholders effectively bear the entire advisory fee.

In addition, each Fund may engage in certain derivatives transactions that have economic characteristics similar to leverage. Each Fund intends to earmark or segregate cash or liquid securities or otherwise cover such transactions in accordance with applicable interpretations of the staff of the SEC. Securities so segregated or designated as "cover" will be unavailable for sale (unless replaced by other securities qualifying for segregation or cover requirements), which may adversely affect the ability of a Fund to pursue its investment objective.

Each Fund may be required to pay a commitment fee on unused portions of its credit facility. In connection with the use of leverage, the Funds may enter into interest rate swap or cap transactions, either separately or as a component of their credit facility in order to fix their borrowing costs. In the event the Funds elect or are required to de-lever, the Funds may be required to pay early termination payments and other breakage costs associated with the termination of the interest rate swap or cap transaction. While such transactions are intended to reduce the risks associated with an increase in short-term interest rates, the use of interest rate swaps and caps involves investment techniques and risks different from those associated with ordinary portfolio security transactions. Depending on the state of interest rates in general, the Fund's use of interest rate instruments could enhance or harm the overall performance of the Fund's common shares.

Smaller Company Risk. The general risks associated with corporate income-producing and equity securities are particularly pronounced for securities issued by companies with smaller market capitalizations. These companies may have limited product lines, markets or financial resources, or they may depend on a few key employees. As a result, they may be subject to greater levels of credit, market and issuer risk. Securities of smaller companies may trade less frequently and in lesser volume than more widely held securities and their values may fluctuate more sharply than other securities. Companies with medium-sized market capitalizations may have risks similar to those of smaller companies.

REIT Risk. To the extent that a Fund invests in REITs it will be subject to the risks associated with owning real estate and with the real estate industry generally. REITs are subject to interest rate risks (especially mortgage REITs) and the risk of default by lessees or borrowers. An equity REIT may be affected by changes in the value of the underlying properties owned by the REIT. A mortgage REIT may be affected by the ability of the issuers of its portfolio mortgages to repay their obligations. REITs whose underlying assets are concentrated in properties used by a particular industry are also subject to risks associated with such industry. REITs may have limited financial resources, their securities trade less frequently and in a limited volume, and may be subject to more abrupt or erratic price movements than larger company securities.

Inflation Risk/Deflation Risk. Inflation risk is the risk that the value of assets or income from investments will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the common shares and distributions can decline. In addition, during any periods of rising inflation, the dividend rates or borrowing costs associated with each Fund's use of leverage would likely increase, which would tend to further

reduce returns to common shareholders. Deflation risk is the risk that prices throughout the economy decline over time—the opposite of inflation. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

Securities Lending Risk. Each Fund may also lend the securities it owns to others, which allows such Fund the opportunity to earn additional income. Although each Fund will require the borrower of the securities to post collateral for the loan and the terms of the loan will require that such Fund be able to reacquire the loaned securities if certain events occur, the Fund is still subject to the risk that the borrower of the securities may default, which could result in the Fund losing money, which would result in a decline in the Fund's NAV. Each Fund may also purchase securities for delayed settlement. This means that a Fund is generally obligated to purchase the securities at a future date for a set purchase price, regardless of whether the value of the securities is more or less than the purchase price at the time of settlement.

Management Risk. Management's judgment about the attractiveness, relative value or potential appreciation of a particular sector, security or investment strategy may prove to be incorrect, and there can be no assurance that the investment decisions made will prove beneficial to a Fund.

UK Departure from EU Risk. On Thursday June 23, 2016, voters in the United Kingdom referendum (the "Referendum") on the question of whether to remain or leave the European Union (the "EU") voted in a majority in favor of leaving the EU. This historic event is widely expected to have consequences that are both profound and uncertain for the economic and political future of the United Kingdom and the EU, and financial markets generally. In March 2017, the British Parliament passed a bill authorizing the British Government to invoke Article 50 of the Treaty on European Union – the formal process of withdrawing from the EU. Invoking Article 50 will give the United Kingdom two years to negotiate a separation with the other members of the EU. The full scope and nature of the consequences of the UK's departure from the EU are not at this time known and are unlikely to be known for a significant period of time. However, the Referendum has led to significant uncertainty in the business, legal and political environment. Risks associated with the outcome of the Referendum include short and long term market volatility and currency volatility, macroeconomic risk to the UK and European economies, impetus for further disintegration of the EU and related political stresses (including those related to sentiment against cross border capital movements and activities of investors like the Funds), prejudice to financial services businesses that are conducting business in the EU and which are based in the UK, legal uncertainty regarding achievement of compliance with applicable financial and commercial laws and regulations in view of the expected steps to be taken pursuant to or in contemplation of Article 50 of the Treaty on European Union and negotiations undertaken under Article 218 of the Treaty on the Functioning of the European Union, and the unavailability of timely information as to expected legal, tax and other regimes.

Redenomination Risk. The result of the Referendum and continuing uncertainty as to the status of the Euro and the European Monetary Union (the "EMU") has created significant volatility in currency and financial markets generally. Investing in Euro-denominated securities entails risk of being exposed to a currency that may not fully reflect the strengths and weaknesses of the disparate European economies. In addition, it is possible that the Euro could be abandoned in the future by countries that have adopted its use. The effects of the collapse of the Euro, or of the exit of one or more countries from the EMU, on the United States and global economy and securities markets could have a significant adverse impact on the value and risk profile of a Fund's investments. If one or more EMU countries were to stop using the Euro as its primary currency, a Fund's investments in such countries may be redenominated into a different or newly adopted currency. As a result, the value of those investments could decline significantly and unpredictably. In addition, securities or other investments that are redenominated may be subject to foreign currency risk, liquidity risk and valuation risk to a greater extent than similar investments currently denominated in Euros. To the extent a currency used for redenomination purposes is not specified in respect of certain EMU-related investments, or should the Euro cease to be used entirely, the currency in which such investments are denominated may be unclear, making such investments particularly difficult to value or dispose of. A Fund may incur additional expenses to the extent it is required to seek judicial or other clarification of the denomination or value of such securities.

U.S. Government Securities Risk. U.S. Government securities historically have not involved the credit risks associated with investments in other types of debt securities, although, as a result, the yields available from U.S.

Government debt securities are generally lower than the yields available from other securities. Like other debt securities, however, the values of U.S. Government securities change as interest rates fluctuate. On August 5, 2011, Standard & Poor's Ratings Group ("S&P") lowered its long-term sovereign credit rating on U.S. government debt to "AA+" from "AAA" with a negative outlook. As of March 31, 2018, the S&P rating is "AA+" with a stable outlook. Moody's Investors Service, Inc. ("Moody's") affirmed the "Aaa" long-term sovereign credit rating of U.S. government debt on November 21, 2011 while maintaining its negative outlook. As of March 31, 2018, the Moody's rating is "Aaa" with a stable outlook. Fitch Ratings ("Fitch") continued to rate U.S. government debt "AAA," but changed its outlook to negative on November 28, 2011. As of March 31, 2018, the Fitch rating is "AAA" with a stable outlook. Any downgrades of U.S. credit rating could increase volatility in both stock and bond markets, result in higher interest rates and higher Treasury yields and increase the costs of all kinds of debt. Similar events could have significant adverse effects on the economy generally and could result in significant adverse impacts on securities issuers and the Funds. Advent cannot predict the effects of these or similar events in the future on the U.S. economy and securities markets or on a Fund's portfolio.

Legislation and Regulation Risk. At any time after the date hereof, legislation may be enacted that could negatively affect the issuers in which a Fund invests. Changing approaches to regulation may also have a negative impact on issuers in which a Fund invests. In addition, legislation or regulation may change the way in which a Fund is regulated. There can be no assurance that future legislation, regulation or deregulation will not have a material adverse effect on a Fund or will not impair the ability of such Fund to achieve its investment objective.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which was signed into law in July 2010, has resulted in significant revisions to the U.S. financial regulatory framework. The Dodd-Frank Act covers a broad range of topics, including, among many others: a reorganization of federal financial regulators; the creation of a process designed to ensure financial system stability and the resolution of potentially insolvent financial firms; the enactment of new rules for derivatives trading; the creation of a consumer financial protection watchdog; the registration and regulation of managers of private Funds; the regulation of rating agencies; and the enactment of new federal requirements for residential mortgage loans. The regulation of various types of derivative instruments pursuant to the Dodd-Frank Act may adversely affect a Fund or its counterparties.

On December 11, 2015, the SEC published a proposed rule that, if adopted, would change the regulation of the use of derivative instruments and financial commitment transactions by registered investment companies. The SEC sought public comments on numerous aspects of the proposed rule, and as a result the nature of any final regulations is uncertain at this time. Such regulations could limit the implementation of a Fund's use of derivatives and reverse repurchase agreement transactions and impose additional compliance costs on such Fund, which could have an adverse impact on the Fund. Advent cannot predict the effects of these regulations on the Funds' portfolio. Advent intends to monitor developments and seek to manage each Fund's portfolio in a manner consistent with achieving such Fund's investment objective, but there can be no assurance that they will be successful in doing so.

The change in presidential administration could significantly impact the regulation of United States financial markets. Areas subject to potential change, amendment or repeal include the Dodd-Frank Act, including the Volcker Rule, the authority of the Federal Reserve and Financial Stability Oversight Council, and renewed proposals to separate banks' commercial and investment banking activities. The Financial CHOICE Act, which was passed by the U.S. House of Representatives in June 2017, would, if enacted, roll back parts of the Dodd-Frank Act. Other potential changes that could be pursued by the new presidential administration could include the United States' withdrawal from, or attempt to renegotiate, various trade agreements or the taking of other actions that would change current trade policies of the United States. It is not possible to predict which, if any, of these actions will be taken or, if taken, their effect on the economy, securities markets or the financial stability of the United States. A Fund may be affected by governmental action in ways that are not foreseeable, and there is a possibility that such actions could have a significant adverse effect on each Fund and its ability to achieve its investment objective.

The rules dealing with U.S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes in tax laws or regulations or future interpretations of such laws or regulations could adversely affect the Fund, the entities in which the Fund invests and/or the Fund's shareholders. The recently enacted Tax Cuts and Jobs Act (the ''TCJA'') makes substantial changes to the Code. Among those changes are a significant permanent reduction in the generally applicable corporate tax rate, changes in the taxation of individuals and other non-corporate taxpayers that generally but not universally reduce their taxes on a temporary basis subject to ''sunset'' provisions, the elimination or modification of various previously allowed deductions (including substantial limitations on the deductibility of interest and, in the case of individuals, the deduction for personal state and local taxes), and changes that affect the timing of the recognition of certain items of income. The effect of these, and the many other, changes made in the TCJA is uncertain, both in terms of their direct effect on the taxation of an investment in a Fund's common shares or the

Fund's underlying investments, or their indirect effect on the value of the Fund's investments or its common shares or market conditions generally. Furthermore, many of the provisions of the TCJA will require guidance through the issuance of Treasury regulations in order to assess their effect. There may be a substantial delay before such regulations are promulgated, increasing the uncertainty as to the ultimate effect of the statutory amendments on us. Technical corrections legislation also may be proposed with respect to the TCJA, the effect of which cannot be predicted.

LIBOR Risk. Instruments in which a Fund invests may pay interest at floating rates based on LIBOR or may be subject to interest caps or floors based on LIBOR. A Fund and issuers of instruments in which such Fund invests may also obtain financing at floating rates based on LIBOR. Derivative instruments utilized by a Fund and/or issuers of instruments in which such Fund may invest may also reference LIBOR. Each Fund utilizes leverage or borrowings primarily based on LIBOR. Regulators and law-enforcement agencies from a number of governments, including entities in the United States, Japan, Canada and the United Kingdom, have conducted or are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association, or the "BBA," in connection with the calculation of daily LIBOR may have been manipulating or attempting to manipulate LIBOR. Several financial institutions have reached settlements with the CFTC, the U.S. Department of Justice Fraud Section and the United Kingdom Financial Conduct Authority in connection with investigations by such authorities into submissions made by such financial institutions to the bodies that set LIBOR and other interbank offered rates. Additional investigations remain ongoing with respect to other major banks. There can be no assurance that there will not be additional admissions or findings of rate-setting manipulation or that manipulations of LIBOR or other similar interbank offered rates will not be shown to have occurred. ICE Benchmark Administration Limited assumed the role of LIBOR administrator from the BBA on February 1, 2014. Any new administrator of LIBOR may make methodological changes to the way in which LIBOR is calculated or may alter, discontinue or suspend calculation or dissemination of LIBOR. Additional findings of manipulation may decrease the confidence of the market in LIBOR and lead market participants to look for alternative, non-LIBOR based types of financing, such as fixed rate loans or bonds or floating rate loans based on non-LIBOR indices.

Recently, regulators in the United Kingdom have called for the LIBOR to be abandoned by the end of 2021. Abandonment of or modifications to LIBOR could have adverse impacts on newly issued financial instruments and existing financial instruments which reference LIBOR. While some instruments may contemplate a scenario where LIBOR is no longer available by providing for an alternative rate setting methodology, not all instruments may have such provisions and there is significant uncertainty regarding the effectiveness of any such alternative methodologies. Abandonment of or modifications to LIBOR could lead to significant short-term and long-term uncertainty and market instability. It remains uncertain how such changes would be implemented and the effects such changes would have on a Fund, issuers of instruments in which such Fund invests and financial markets generally.

Recent Market Developments Risk. Global and domestic financial markets have experienced periods of unprecedented turmoil. During the recession of 2007-2009 and for a period thereafter, the debt and equity capital markets in the United States were negatively impacted by significant write-offs in the financial services sector relating to sub-prime mortgages, the re-pricing of credit risk in the broadly syndicated market, the failure of major financial institutions, the deterioration of the housing market and resulting United States federal government actions. These events led to worsening general economic conditions, which materially and adversely impacted the broader financial and credit markets and reduced the availability of debt and equity capital for the market as a whole and financial firms in particular.

A return to unfavorable economic conditions or sustained economic slowdown could adversely impact the Funds' portfolios. Worsening economic conditions may increase the volatility of the value of securities owned by each Fund, may make it more difficult for each Fund to accurately value its securities or to sell its securities on a timely basis and may adversely affect the ability of a Fund to borrow for investment purposes and increase the cost of such borrowings, which would reduce returns to common shareholders. Worsening economic conditions may also adversely affect the broader economy, which in turn may adversely affect issuers of securities owned by a Fund, which may reduce the value of securities owned by such Fund and adversely affect the net asset value of the common shares. Financial market conditions, as well as various social and political tensions in the United States and around the world, may contribute to increased market volatility and may have long-term effects and cause economic uncertainties or deterioration in the United States and worldwide. Global economies and financial markets are also

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becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. Federal Reserve policy, including with respect to certain interest rates, may adversely affect the value, volatility and liquidity of dividend- and interest-paying securities.

Market Disruption and Geopolitical Risk. The aftermath of the war in Iraq, instability in Afghanistan, Pakistan, Egypt, Libya, Syria, Russia, Ukraine and the Middle East, possible terrorist attacks in the United States and around the world, growing social and political discord in the United States, the European debt crisis, the response of the international community—through economic sanctions and otherwise—to Russia's recent annexation of the Crimea region of Ukraine and posture vis-a-vis Ukraine, continued tensions between North Korea and the United States and the international community generally, new and continued political unrest in various countries, such as Venezuela, the United Kingdom's pending withdrawal from the European Union and the resulting profound and uncertain impacts on the economic and political future of the United Kingdom, the European Union and global financial markets, further downgrade of U.S. Government securities, the change in the U.S. president and the new administration and other similar events, may have long-term effects on the U.S. and worldwide financial markets and may cause further economic uncertainties in the United States and worldwide. Each Fund does not know and cannot predict how long the securities markets may be affected by these events and the effects of these and similar events in the future on the U.S. economy and securities markets. Each Fund may be adversely affected by abrogation of international agreements and national laws which have created the market instruments in which such Fund may invest, failure of the designated national and international authorities to enforce compliance with the same laws and agreements, failure of local, national and international organization to carry out their duties prescribed to them under the relevant agreements, revisions of these laws and agreements which dilute their effectiveness or conflicting interpretation of provisions of the same laws and agreements. The Funds may be adversely affected by uncertainties such as terrorism, international political developments, and changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of the countries in which it is invested.

Reliance on Service Providers. Each Fund must rely upon the performance of service providers to perform certain functions, which may include functions that are integral to the operations and financial performance of each Fund. Fees and expenses of these service providers are borne by each Fund, and therefore indirectly by common shareholders. Failure by any service provider to carry out its obligations to each Fund in accordance with the terms of its appointment, to exercise due care and skill, or to perform its obligations to a Fund at all as a result of insolvency, bankruptcy or other causes could have a material adverse effect on such Fund's performance and ability to achieve its investment objective. The termination of a Fund's relationship with any service provider, or any delay in appointing a replacement for such service provider, could materially disrupt the business of such Fund and could have a material adverse effect on such Fund's performance and ability to achieve its investment objective.

Technology and Cybersecurity Risk. Markets and market participants are increasingly reliant upon both publicly available and proprietary information data systems. Data imprecision, software or other technology malfunctions, programming inaccuracies, unauthorized use or access, and similar circumstances may impair the performance of these systems and may have an adverse impact upon a single issuer, a group of issuers, or the market at large. As the use of internet technology has become more prevalent, each Fund and its service providers have become more susceptible to potential operational risks through breaches in cyber security (generally, intentional and unintentional events that may cause a Fund or a service provider to lose proprietary information, suffer data corruption or lose operational capacity). There can be no guarantee that any risk management systems established by a Fund, its service providers, or issuers of the securities in which such Fund invests that are intended to reduce cyber security risks will succeed.

Portfolio Turnover Risk. Each Fund's annual portfolio turnover rate may vary greatly from year to year. Portfolio turnover rate is not considered a limiting factor in the execution of investment decisions for a Fund. A higher portfolio turnover rate results in correspondingly greater brokerage commissions and other transactional expenses that are borne by a Fund. High portfolio turnover may result in an increased realization of net short-term capital gains by a Fund which, when distributed to common shareholders, will be taxable as ordinary income. Additionally, in a declining market, portfolio turnover may result in realized capital losses.

ADDITIONAL INFORMATION ABOUT THE FUNDS AND THE MERGERS

General

The Mergers seek to combine three funds that have the same portfolio management team, the same Board members and substantially similar (but not identical) investment objectives, investment policies, strategies, risks and restrictions. See "Comparison of the Funds."

The Board of each Fund, including the Independent Trustees, has unanimously approved its Merger(s), including its respective Merger Agreement(s). Assuming each Fund's shareholders approve its respective Merger(s), each Target Fund will merge directly with and into the Acquiring Fund and in connection with such Merger, the Acquiring Fund will issue additional Acquiring Fund Shares and list such common shares on the NYSE. Each Target Fund will terminate its registration under the 1940 Act after the completion of its Merger. The Acquiring Fund will continue to operate after the Merger(s) as a registered, diversified, closed-end investment company with the investment objective and policies described in this Joint Proxy Statement/Prospectus.

In each Merger, the outstanding common shares of the Target Fund will be exchanged for newly-issued Acquiring Fund Shares in the form of book entry interests. The aggregate NAV (not the market value) of the Acquiring Fund Shares received by the Target Fund shareholders in each Merger will equal the aggregate NAV (not the market value) of the Target Fund common shares held by such shareholders immediately prior to such Merger, less the applicable costs of such Merger including, but not limited to, the issuance of additional Acquiring Fund Shares in connection with each of the Mergers (the "Issuances") (although Target Fund shareholders may receive cash for their fractional common shares). In the Mergers, shareholders of each Target Fund will receive Acquiring Fund Shares based on the relative NAV, not the market value, of each respective Fund's common shares. The market value of the common shares of the Combined Fund may be less than the market value of the common shares of a Target Fund prior to the Mergers.

No fractional Acquiring Fund Shares will be issued (except for shares held in a Dividend Reinvestment Plan account). In the event there are fractional Acquiring Fund Shares in an account other than a Dividend Reinvestment Plan account, the Acquiring Fund's transfer agent will aggregate all such fractional all fractional Acquiring Fund Common Shares to be issued in connection with the Mergers (other than those issued to a Dividend Reinvestment Plan account) and sell the resulting whole Common Shares on the NYSE for the account of all holders of such fractional interests, and each such holder will be entitled to the pro rata share of the proceeds from such sale upon surrender of the AGC or LCM share certificates. See "—Terms of the Merger Agreements—Surrender and Exchange of Share Certificates" for a description of the procedures to be followed by Target Fund common shareholders to obtain their Acquiring Fund Shares (and cash in lieu of fractional Acquiring Fund Shares, if any).

Terms of the Merger Agreements

The following is a summary of the significant terms of the Merger Agreements. This summary is qualified in its entirety by reference to the Form of Merger Agreement attached as Appendix B to this Joint Proxy Statement/Prospectus.

Valuation of Assets and Liabilities. The respective assets of each of the Funds will be valued on the business day prior to the Closing Date (the "Valuation Time"). The valuation procedures are the same for each Fund: the NAV per common share of each Fund will be determined after the close of business on the NYSE (generally, 4:00 p.m., Eastern time) at the Valuation Time. For the purpose of determining the NAV of a common share of each Fund, the value of the securities held by the such Fund plus any cash or other assets (including interest accrued but not yet received) minus all liabilities (including accrued expenses) of such Fund is divided by the total number of common shares of such Fund outstanding at such time. Daily expenses, including the fees payable to the Management Entities, will accrue at the Valuation Time.

Amendments and Conditions. The Merger Agreements may be amended at any time prior to the Closing Date with respect to any of the terms therein upon mutual agreement. However, after adoption of the Merger Agreements and approval of the Mergers, no amendment or modification may be made which by law requires further approval by such shareholders without such further approval. The obligations of each Fund pursuant to the applicable Merger Agreement are subject to various conditions, including a registration statement on Form N-14 being declared

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effective by the SEC, approval of the Merger Agreement by the shareholders of the respective Target Funds, approval of the Mergers by the shareholders of AVK, receipt of an opinion of counsel as to tax matters, receipt of an opinion of counsel as to corporate and securities matters and the continuing accuracy of various representations and warranties of the Funds being confirmed by the respective parties.

Postponement; Termination. Under the Merger Agreements, the Board of any Fund may cause a Merger to be postponed or abandoned under certain circumstances should such Board determine that it is in the best interests of the shareholders of its respective Fund to do so. The Merger Agreements may be terminated, and the Mergers abandoned at any time (whether before or after adoption thereof by the shareholders of either of the Funds) prior to the Closing Date, or the Closing Date may be postponed: (i) by mutual consent of the Boards of the Funds and (ii) by the Board of either Fund if any condition to that Fund's obligations set forth in the pertinent Merger Agreement has not been fulfilled or waived by such Board.

Surrender and Exchange of Share Certificates. The Acquiring Fund will issue to Target Fund shareholders book entry interests for the Acquiring Fund Shares registered in the name of on the basis of each holder's proportionate interest in the aggregate NAV (not the market value) of Target Fund common shares. With respect to any Target Fund shareholder holding certificates evidencing ownership of Target Fund shares as of the Closing Date, and subject to the Acquiring Fund being informed thereof in writing by the Target Fund, the Acquiring Fund will not permit such shareholder to receive new book entry interests of the Acquiring Fund Shares, until notified by the Target Fund or its agent that such shareholder has surrendered his or her outstanding certificates evidencing ownership of Target Fund shares or, in the event of lost certificates, posted adequate bond. The Target Fund, at its own expense, will request its shareholders to surrender their outstanding certificates evidencing ownership of Target Fund shares or post adequate bond.

Please do not send in any share certificates at this time. Upon consummation of the Mergers, shareholders of the Target Funds will be furnished with instructions for exchanging their share certificates for book entry interests representing Acquiring Fund Shares and, if applicable, cash in lieu of fractional common shares.

From and after the Closing Date, there will be no transfers on the stock transfer books of the Target Funds. If, after the Closing Date, certificates representing common shares of the Target Funds are presented to the Acquiring Fund, they will be cancelled and exchanged for book entry interests representing Acquiring Fund Shares and cash in lieu of fractional common shares, if applicable, distributable with respect to the Target Funds' common shares in the Merger.

Expenses of the Merger. Each Fund will bear expenses incurred in connection with the Merger(s). The expenses incurred in connection with the Mergers include but are not limited to, costs related to the preparation and distribution of materials distributed to each Fund's Board, expenses incurred in connection with the preparation of the Merger Agreements and the registration statement on Form N-14, the printing and distribution of this Joint Proxy Statement/Prospectus and any other materials required to be distributed to shareholders, SEC and state securities commission filing fees, and legal and audit fees in connection with the Mergers, including legal fees incurred preparing each Fund's Board materials, attending each Fund's Board meetings and preparing the minutes, auditing fees associated with each Fund's financial statements, stock exchange fees, transfer agency fees, portfolio transfer taxes (if any) and any similar expenses incurred in connection with the Mergers.

Because of the expected benefits of the Mergers for each Fund described herein, including estimated expense savings for each Fund expected to occur over time following the Mergers, the Board determined that each Fund will incur a portion of the total costs of the Mergers in proportion to each Fund's estimated expense savings, based on the reduction in Total Expense Ratio (Excluding Interest Expense) on a pro forma basis for the 12-month period ended October 31, 2017. The total costs of the Mergers are estimated to be approximately $1,085,000, of which approximately $679,000 would be borne by AGC, approximately $305,000 would be borne by LCM and approximately $101,000 would be borne by AVK.

Because each Fund has already incurred expenses attributable to the Merger(s), as applicable, and because the Funds are responsible for paying those expenses, if each Fund's respective shareholders do not approve their Fund's respective Merger(s), as applicable, such Fund will continue to be responsible for the expenses already incurred arising from its proposed Merger(s), as applicable, even though its proposed action will not occur and those expenses may be material.

Board Considerations and Recommendation

The Board of each Fund discussed and considered matters relating to the Merger proposals at meetings held on March 7, 2018 and March 14, 2018 and the Independent Trustees also met telephonically to discuss the proposals on March 2, 2018 and March 13, 2018. During the course of these meetings, the Board of each Fund requested, received and discussed information from various parties, including presentations from Fund management regarding the rationale for the Mergers and potential benefits and costs that may accrue to the Funds as a result. The Board of each Fund also received a memorandum outlining, among other things, the legal standards and certain other considerations relevant to the Board's deliberations. During the course of each Board's deliberations, the Independent Trustees of each Fund were represented by separate independent counsel.

At the Board's March 14, 2018 Meeting, the Board of each Fund, including the Independent Trustees, unanimously concluded that completion of its Merger(s) would be in the best interests of such Fund and that the interests of its existing shareholders would not be diluted with respect to NAV as a result of the Merger. The Board's determinations were made on the basis of each Trustee's business judgment after consideration of relevant factors taken as a whole with respect to each Fund and its shareholders, although individual Trustees may have placed different weight and assigned different degrees of importance to various factors. In reaching its determinations, the Board of each Fund considered a number of factors, including, but not limited to, the factors discussed below. Based on its deliberations:

The AGC Board recommends that shareholders of AGC vote "FOR" AGC's proposed Merger.

The LCM Board recommends that shareholders of LCM vote "FOR" LCM's proposed Merger.

The AVK Board recommends that shareholders of AVK vote "FOR" AVK's proposed Mergers with AGC and LCM.

Continuity in Investment Program. The Board considered that the Mergers would maintain continuity of the Funds' overall investment objectives and strategies. Each Fund emphasizes investments in convertible securities and non-convertible income-producing securities, with the authority to write (sell) covered call options on a portion of the securities held in the Fund's portfolio. The Board considered that if the Mergers are consummated, the Combined Fund generally will continue AVK's current investment approach as discussed in the Proxy Statement/Prospectus.

Potential for Improved Economies of Scale and Potential for a Lower Total Expense Ratio. The Board considered the fees and Total Expense Ratio of each Fund. The Board noted that the Funds had estimated that the completion of the Mergers of each Target Fund would result in a Total Expense Ratio for the Combined Fund of 2.63% on a pro forma basis for the 12-month period ended October 31, 2017, representing a reduction in the Total Expense Ratio of 0.86% for AGC, 0.24% for LCM and 0.09% for AVK. The Board noted that while each Fund is permitted to utilize borrowings and reverse repurchase agreements to the maximum extent permitted under the 1940 Act, as of October 31, 2017, while AVK, AGC and the pro forma Combined Fund each utilized similar levels of leverage, as a percentage of their Managed Assets, LCM utilized a lower level of leverage. Therefore, the Board considered the Fund's Total Expense Ratios (Excluding Interest Expense), and noted that the completion of the Mergers of each Target Fund would result in a Total Expense Ratio (Excluding Interest Expense) for the Combined Fund of 1.44% on a pro forma basis for the 12-month period ended October 31, 2017, representing a reduction in the Total Expense Ratio (Excluding Interest Expense) of 0.65% for AGC, 0.62% for LCM and 0.05% for AVK. In addition, the Board noted that as a result of tender offers conducted by the Funds in 2017, which decreased each Fund's assets, and recent leverage refinancings by each Fund, which increased the costs of leverage as a result of increases in market interest rates, the Total Expense Ratios for the 12-month period ended October 31, 2017 may not be indicative of the future expenses of the Funds. Therefore, the Board considered projected expenses, after giving effect to the tender offers and leverage refinancings, for each Fund and the Combined Fund on a pro forma basis, noting that based on these projected expenses, the Funds had estimated that the completion of the Mergers of each Target Fund would result in a reduction in the Total Expense Ratio of 0.94% for AGC, 0.24% for LCM and 0.20% for AVK and a reduction in the Total Expense Ratio (Excluding Interest Expense) of 0.70% for AGC, 0.85% for LCM and 0.09% for AVK. The Board noted that under each of the considered metrics, each Fund experienced a reduction in Total Expense Ratio. The Board noted, however, that there can be no assurance that future expenses will not increase or that any expense savings will be realized. Moreover, the level of expense savings (if any) will vary if only one of the proposed Mergers closes.

The Board noted that Management and Servicing Fees of the Combined Fund will be identical to those of AVK, which are lower than the Management and Servicing Fees of both AGC and LCM. For the period ended October 31, 2017, the Management and Servicing Fees were as follows: AVK was 0.75% of Managed Assets (consisting of 0.54% in Advent management fees and 0.21% in GFD servicing fees); AGC was 1.00% of Managed Assets (consisting of 0.60% in Advent management fees and 0.40% in GFIA advisory fees); and LCM was 1.00% of Managed Assets (consisting of 0.51% in Advent management fees and 0.49% in GFIA advisory fees). The Management and Servicing Fees of the Combined Fund will be 0.75% of Managed Assets (consisting of 0.54% in Advent management fees and 0.21% in GFD servicing fees). The Board recognized that although LCM's Management and Servicing Fees will decline as a result of the Merger, the Advent management fee payable on the Combined Fund's Managed Assets are 0.03% higher than the Advent management fee payable by LCM.

Potential for Improved Secondary Market Trading. While it is not possible to predict trading activity at the time the Mergers close or thereafter, the Board considered that the Combined Fund may provide greater secondary market liquidity for its common shares because it would be larger than any of the Funds, which may result in tighter bid-ask spreads, better trade execution for the Combined Fund's shareholders when purchasing or selling Combined Fund shares and potential for improved premium/discount levels for the Combined Fund's common shares.

Less Risk of Portfolio Disruption Benefits. The Board noted that the larger size and potentially improved premium/discount levels of the Combined Fund may reduce the likelihood that the Combined Fund would be targeted by short-term activist shareholders. The Board noted that shareholder activism within the closed-end fund market has increased in recent years. The Board considered that while certain types of shareholder activism (particularly in the corporate sector) may provide some level of accountability, activist shareholders within the closed-end fund marketplace are often primarily focused on making short-term profits, which may be disruptive to a fund's long-term investment objective and contrary to the interests of long-term shareholders. The Board noted that short-term activist shareholders often target smaller closed-end funds trading at persistent significant discounts and that activist attacks are costly for the targeted funds because of the significant legal expenses involved in defending the fund and the practical risk of being either open-ended or liquidated or of having to reduce assets to provide a liquidity event to avoid one of these outcomes. Any of these situations deplete fund resources. The Board noted that even if the targeted fund maintains its closed-end status, an activist attack can result in a forced fire sale of a portion of the fund's assets, limited future income earnings and an increased expense ratio. The Board noted that one of the benefits of the closed-end fund structure is that a fund's capital base is not disturbed by investor inflows or outflows. The Combined Fund may be less likely to have to devote attention to potential activist-generated liquidity events and therefore may be better positioned to seek to achieve its investment objective by investing for the long-term.

Larger Fund Size Allows Trading in Larger Denominations. The Board noted that certain foreign securities trade in larger minimum denominations than is common in U.S. markets and that the Combined Fund may have access to income opportunities in these markets on a more advantageous price basis than any of the Funds is able to achieve on its own.

Potential for Increased Coverage by Investment Analysts and Improved Premium/Discount Levels. The Board considered that the larger size of the Combined Fund may attract more coverage by analysts, which could lead to greater market demand for shares of the Combined Fund and the potential for improved premium/discount levels.

Potential for Operating and Administrative Efficiencies. The Board noted that the Combined Fund may achieve certain operating and administrative efficiencies from its larger net asset size. The Board also noted that the Combined Fund may experience potential benefits from having fewer similar funds in the same fund complex, including a simplified operational model and potential benefits from the elimination of complexities involved with having similar Funds, including easier product differentiation for shareholders of the Combined Fund and potential investors and reduced risk of operational, legal and financial errors. While there are anticipated to be certain ancillary benefits to the Management Entities as a result of streamlining the management of the three Funds, the Board noted that the primary beneficiaries will be the Funds' shareholders. The Board considered that shareholders are expected to benefit from a consolidated and more efficient fund structure that eliminates potential confusion regarding the nuances of each of the Funds and increases the attractiveness of the Combined Fund to potential investors, while also reducing expenses for shareholders going forward as discussed above.

Compatibility of the Investment Objectives, Policies and Related Risks. The Board noted that each Fund's shareholders will remain invested in a NYSE-listed, closed-end management investment company that will have substantially greater net assets and substantially similar (but not identical) investment objectives and investment policies and, as a result, the style and risk/return profile of the Combined Fund will remain comparable to those of its Target Fund shareholders' current investments, subject to the differences described in "Comparison of the Funds."

Consistency of Day-to-Day Portfolio Management. The Board noted that, after the Merger, Advent would continue its current role as investment manager and Tracy V. Maitland and Paul Latronica will continue their roles as portfolio managers. As a result, each Fund's shareholders are expected to benefit from the continuing experience and expertise of the entire portfolio management team. The Board also noted that, although GFIA would not continue its role as investment adviser to AGC and LCM, GFD will continue its current role as servicing agent for AVK and GFD will have the ability to draw on resources and expertise throughout the Guggenheim organization to service the Combined Fund. Further, the Board considered that the Combined Fund would continue to receive all required services from AVK's current service providers with no anticipated change or interruption of service and on current fee terms. Currently, GFIA (acting as investment adviser) performs investment advisory oversight of Advent (in its role as investment manager) for AGC and LCM. GFIA does not perform this role for AVK because Advent is the investment manager and AVK does not have an investment adviser. The Board considered that, although GFIA would not perform investment oversight of Advent for the Combined Fund (given that AVK's current servicing arrangements would continue substantially unchanged), Advent had internal oversight resources, including through its chief compliance officer and risk management function. The Board noted that annually the Board considers the renewal of Advent's investment management agreement with AVK. The Board noted that in the course of its most recent prior evaluation of Advent's investment management agreement with AVK, it had received and considered various data and information regarding the nature, extent and quality of services provided to AVK by Advent and the trustees had concluded that the nature, extent and quality of the investment management services provided to AVK by Advent were satisfactory.

Anticipated Tax-Free Merger. Each Board noted that it is anticipated that shareholders of its Fund will recognize no gain or loss for U.S. federal income tax purposes as a result of the Mergers (except with respect to cash received in lieu of fractional shares and with respect to distributions of undistributed net investment income, as described below), as each Merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

Terms of the Merger and Impact on Shareholders. The Board noted that the aggregate NAV (not the market value) of the shares of the Combined Fund that Target Fund shareholders will receive in the Mergers is expected to equal the aggregate NAV (not the market value) of the Target Fund shares that Target Fund shareholders owned immediately prior to the Mergers, and the NAV of Target Fund shares will not be diluted as a result of the Mergers. No fractional common shares of the Acquiring Fund will be issued to shareholders in connection with the Mergers, and Target Fund shareholders will receive cash in lieu of such fractional shares.

Effect on Shareholder Rights. The Board noted that the Funds are organized as Delaware statutory trusts and the governing documents of the Combined Fund are substantially identical to those of the Target Funds. The Board also noted that the common shareholders of each Fund have substantially similar voting rights and rights with respect to the payment of dividends and distribution of assets upon liquidation of their respective Fund and have no preemptive, conversion or exchange rights.

Capital Loss Carryforwards Considerations. The Board considered that capital loss carryforwards of the Combined Fund attributable to each Fund that participates in a Merger may be subject to tax loss limitation rules by reason of such Fund undergoing an ownership change in the Merger. The Board considered the timing of expiration of the capital loss carryforwards and the likelihood of utilization of such capital loss carryforwards were such carryforwards not limited as a result of the Mergers. Each Board also considered that the ability of its Fund to fully utilize its existing capital loss carryforwards and that the actual effect of the loss limitation rules depends on many variables and assumptions, including projected performance, and is, therefore, highly uncertain.

Potential Effects of the Mergers on Earnings and Distributions. The Board considered the projected earnings of the investment portfolio of the Combined Fund. The Board noted that the Combined Fund currently expects to continue to pay monthly distributions, if and when declared by the Board, in an amount representing a distribution rate similar to the current distribution rate of AVK and at least equal to the Minimum Distribution Rate. In evaluating the effects of the Mergers on earnings and distributions, the Board considered a number of factors, including capital loss carryforwards, leverage costs and the portion of each Fund's distribution that has been comprised of net investment income and other sources and projections for the portion of the Combined Fund's distribution that was expected to be comprised of net investment income and other sources. The Board also considered distribution rates and policies of similar closed-end funds. The Board considered each Fund's distribution rate as a percentage of NAV (based on the latest declared distribution annualized and NAV as of a recent date) and noted that AVK's distribution rate was lower than the distribution rates of AGC and LCM. (Based on the NAV per share as of March 19, 2018, AVK's distribution rate was 8.10%, AGC's distribution rate was 8.76% and LCM's distribution rate was 9.28%). The Board considered that shareholders of AGC and LCM would benefit from the certainty of the Minimum Distribution Rate during the remainder of the period for which AVK has agreed to pay distributions in amounts not less than the Minimum Distribution Rate. In addition, the Board considered that shareholders of LCM would benefit from the increased frequency of distributions.

Potential Effects of the Mergers on Undistributed Net Investment Income. The Board noted that all of the undistributed net investment income ("UNII"), if any, of each Fund is expected to be distributed to such Fund's respective shareholders prior to the Mergers if such Fund's Merger is approved by shareholders, but noted that the Funds were not expected to have positive UNII balances prior to the Mergers, in which case no such distributions would be required.

Compatibility of Leverage Facilities. The Board noted that while each Fund is permitted to utilize borrowings and reverse repurchase agreements to the maximum extent permitted under the 1940 Act, AVK, AGC and the pro forma Combined Fund each utilized similar levels of leverage, as a percentage of their Managed Assets, whereas LCM utilized a lower level of leverage. The Board considered that while the higher leverage levels of the Combined Fund relative to LCM would result in increased leverage risk and leverage expense for former LCM shareholders, such shareholders would also get the benefit of increased leverage, noting that for the most recently ended fiscal year the NAV return for AVK was above the cost of leverage and AVK's leverage was beneficial to shareholders for such period.

Expected Costs of the Merger. The Board considered the terms and conditions of its Merger Agreement(s), including the estimated costs associated with each Merger and the allocation of such costs among the Funds. The Board considered the expected benefits of the Mergers for each Fund, including estimated expense savings for each Fund as a result of the Mergers, and each Board determined that in consideration of such benefits, it would be reasonable for each Fund to pay a portion of the total costs of the Mergers in proportion to each Fund's estimated expense savings, based on the reduction in Total Expense Ratio (Excluding Interest Expense) on a pro forma basis for the 12-month period ended October 31, 2017. The Board considered that the total costs of the Mergers were estimated to be approximately, $1,085,000, and based on the expense allocation described above, approximately $679,000 would be borne by AGC, approximately $305,000 would be borne by LCM and approximately $101,000 would be borne by AVK.

The Board considered whether either Advent or Guggenheim should bear a portion of the Merger costs and concluded that, given that each of them would be providing additional services to the Combined Fund post-Merger without any increase in fees, that ancillary benefits to the Management Entities are expected to be minimal, and that each Management Entity would experience a reduction in fee income as a result of the Mergers, it would not be reasonable for either Management Entity to share in the costs of the Merger.

Portfolio Repositioning. The Board considered that minimal portfolio repositioning was expected as a result of the Mergers. The Board also considered that the Funds' holdings were in markets with significant liquidity and low trading costs. Accordingly, the Board noted that the Combined Fund is not expected to experience significant costs in combining the portfolio holdings of the three Funds. The Board noted that management currently anticipates that transaction costs associated with portfolio repositioning transactions will be de minimis (approximately 0.01% of the Managed Assets of the Combined Fund (assuming a Merger of LCM and AGC into AVK)), although such estimates

are subject to change based upon market conditions at the time of the Mergers and other factors. In addition, the Combined Fund may incur capital losses or gains in connection with sales of portfolio securities that will occur in connection with the integration of the Funds' portfolios although management does not currently anticipate generating capital gains that would not be offset by capital loss carryforwards.

Potential Effects of the Mergers on Premium/Discount to NAV. Each Board noted that the common shares of its Fund have historically traded at a discount and have done so in recent periods. The Board noted that for the fiscal year ended October 31, 2017, the average daily discount of AVK was 8.97%; the average daily discount of AGC was 8.79%; and the average daily discount of LCM was 8.70%. Each Target Fund Board noted that to the extent its Target Fund is trading at a wider discount (or a narrower premium) than the Acquiring Fund at the time of the Mergers, the Target Fund's shareholders would have the potential for an economic benefit by the narrowing of the discount or widening of the premium. The Board also noted that to the extent its Target Fund is trading at a narrower discount (or wider premium) than the Acquiring Fund at the time of the Mergers, the Target Fund's shareholders may be negatively impacted if the Mergers are consummated. The Board also considered the extent to which other benefits described herein, such as greater secondary market liquidity, a more diversified shareholder base or increased analyst coverage, could over time result indirectly in improved premium/discount levels.

Potential Benefits to the Management Entities and their Affiliates. The Board recognized that the Mergers may result in some benefits and economies of scale for the Management Entities. These may include, for example, administrative and operational efficiencies or a reduction in certain operational expenses as a result of the elimination of a Target Fund as a separate fund in the fund complex. The Board was advised by the Management Entities that such benefits and economies of scale are expected to be minimal. The Board noted that the Management and Servicing Fees of the Combined Fund will be 0.75%, which is lower than the current Management and Servicing Fees of AGC and LCM and the same as the current Management and Servicing Fees of AVK. The Board considered that the completion of the Mergers will result in an immediate reduction in fee revenue paid to each Management Entity by the Combined Fund when compared to the aggregate fee revenues from the three separate funds.

Alternatives to the Mergers. In reaching its decision to approve each Fund's respective Merger, the Board of such Fund considered various alternatives, including continuing to operate each Fund as a separate fund, and other merger combinations involving the Fund.

Merger of a Single Target Fund. The Board considered that to the extent that a Merger of one Target Fund is not completed, but the Merger of the other Target Fund is completed, any expected benefits (including estimated expense savings) expected to be realized by the Combined Fund may be reduced or may not be realized. The Board considered that either Merger of a single Target Fund into the Acquiring Fund would also result in a reduction in Total Expense Ratio of each participating Fund, although the level of expense savings may not be as great as in the case of a Merger of all three Funds.

Conclusion. Each Board, including the Independent Trustees, separately approved its Merger, concluding that such Merger is in the best interests of the Fund and that the interests of existing shareholders of such Fund will not be diluted as a result of the Merger. Based on their consideration of a Merger of its Target Fund, the relevant Board recommends the Merger of the applicable Target Fund into the Acquiring Fund, even if the Merger of the other Target Fund is not completed. Each Board's determinations were made on the basis of each Trustee's business judgment after consideration of relevant factors taken as a whole with respect to such Fund and its shareholders, although individual Trustees may have placed different weight on various factors and assigned different degrees of importance to various factors.

U.S. Federal Income Tax Consequences of the Mergers

The following is a general summary of U.S. federal income tax consequences of the Mergers to U.S. holders of Target Fund common shares. The discussion is based upon the Code, Treasury regulations, court decisions, published positions of the IRS and other applicable authorities, all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). The discussion is limited to U.S. persons who hold common shares of a Target Fund as capital assets for U.S. federal income tax purposes (generally, assets held for investment). This summary does not address all of the U.S. federal income tax consequences that may be relevant to a particular shareholder or to shareholders who may be subject to special treatment under U.S. federal income tax laws. No ruling has been or will be obtained from the IRS regarding any matter relating to the Mergers. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax aspects described below. This summary of U.S. federal income tax consequences is for general information only. The Funds' shareholders should consult their own tax advisers regarding the U.S. federal income tax consequences of the Mergers, as well as the effects of state, local and non-U.S. tax laws, including possible changes in tax law.

It is a condition to the closing of each Merger that the respective Target Fund and the Acquiring Fund each receive an opinion from Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden Arps") dated as of the Closing Date, regarding the characterization of the Merger as a "reorganization" within the meaning of Section 368(a) of the Code. The opinion of Skadden Arps will be based on U.S. federal income tax law in effect on the Closing Date. In rendering its opinion, Skadden Arps will also rely upon certain representations of the management of the respective Target Fund and the Acquiring Fund and assume, among other things, that the Merger will be consummated in accordance with the applicable Merger Agreement and other operative documents and as described herein. An opinion of counsel is not binding on the IRS or any court. If a Merger were not to qualify as a reorganization under the Code, the tax consequences could materially and adversely differ from those described herein.

As a reorganization, the U.S. federal income tax consequences of each Merger can be summarized as follows:

- No gain or loss will be recognized by a Target Fund or the Acquiring Fund by reason of the Merger.
- No gain or loss will be recognized by a shareholder of a Target Fund who exchanges all of its Target Fund common shares solely for Acquiring Fund Shares pursuant to the Merger (except with respect to cash received in lieu of a fractional Acquiring Fund Share, as discussed below).
- The aggregate tax basis of Acquiring Fund Shares received by a shareholder of a Target Fund pursuant to the Merger will be the same as the aggregate tax basis of the shareholder's Target Fund common shares surrendered in exchange therefor (reduced by any amount of tax basis allocable to a fractional Acquiring Fund Share for which cash is received).
- The holding period of Acquiring Fund Shares received by a shareholder of a Target Fund pursuant to the Merger will include the holding period of the shareholder's Target Fund common shares surrendered in exchange therefor.
- A shareholder of a Target Fund that receives cash in lieu of a fractional Acquiring Fund Share in connection with the Merger will be treated as having received cash in exchange for such fractional Acquiring Fund Share. A Target Fund shareholder that receives cash in lieu of a fractional Acquiring Fund Share will generally recognize capital gain or loss equal to the difference between the amount of cash deemed received for the fractional Acquiring Fund Share and the Target Fund shareholder's tax basis in Target Fund common shares allocable to the fractional Acquiring Fund Share. The capital gain or loss will generally be a long-term capital gain or loss if the Target Fund shareholder's holding period for Target Fund common shares is more than one year as of the date the Merger is consummated.
- The Acquiring Fund's tax basis in a Target Fund's assets received by the Acquiring Fund pursuant to the Merger will, in each instance, equal the tax basis of such assets in the hands of such Target Fund immediately prior to the Merger, and the Acquiring Fund's holding period for such assets will, in each instance, include the period during which the assets were held by a Target Fund.

The Acquiring Fund intends to continue to be taxed under the rules applicable to regulated investment companies as defined in Section 851 of the Code, which are the same rules currently applicable to each Fund and its shareholders.

Prior to the Closing Date, each Target Fund will declare and pay a distribution to its shareholders, which together with all previous distributions, will have the effect of distributing to the shareholders of such Target Fund all of such Target Fund's investment company taxable income (computed without regard to the deduction for dividends paid), if any, through the Closing Date, net capital gains, if any, through the Closing Date, and all of its net tax-exempt interest income, if any, through the Closing Date. Such distribution will generally be taxable to shareholders for U.S. federal income tax purposes.

The Acquiring Fund will succeed to capital loss carryforwards (and certain unrealized built-in losses), if any, of each of the acquired Target Funds. The capital loss carryforwards of the Acquiring Fund and each Target Fund will be subject to the tax loss limitation rules described below to the extent such Fund undergoes an "ownership change" for U.S. federal income tax purposes, and such limitations might be significant. For each Fund that undergoes an "ownership change," the Code generally limits the amount of pre-ownership change losses that may be used to offset post-ownership change gains to a specific "annual loss limitation amount" (generally the product of (i) the fair market value of the stock of such Fund, with certain adjustments, immediately prior to the Merger and (ii) a rate established by the IRS). Subject to certain limitations, any unused portion of these losses may be available in subsequent years, subject to the remaining portion of any applicable capital loss carryforward limit, as measured from the date of recognition.

Although the capital loss carryforwards of the Combined Fund may be subject to tax loss limitation rules (as outlined above), it is currently expected that such tax loss limitation rules should not have a material adverse effect on the Combined Fund's utilization of each such Fund's capital loss carryforward as compared with what each such Fund's utilization of its own capital loss carryforward would be without the Merger. The ability of each Fund (and the Combined Fund) to utilize any capital loss carryforwards now or in the future depends on many variables and assumptions, including but not limited to, projected performance of a Fund, the unrealized gain/loss position of a Fund, the types of securities held by a Fund, the current and future market environment (including the level of interest rates), portfolio turnover and applicable law (including the requirement that capital loss carryforwards without expiration dates be utilized before capital loss carryforwards that have expiration dates), and is, therefore, highly uncertain.

Due to the operation of these tax loss limitation rules, it is possible that shareholders of a Fund would receive taxable distributions of short-term and long-term capital gains earlier than they would have in the absence of the Mergers. Such taxable distributions will be treated either as ordinary income (and not as favorably taxed "qualified dividend income") if such capital gains are short term or as capital gain dividends if such capital gains are long term. The actual financial effect of the loss limitation rules on a shareholder of a Fund whose losses are subject to the loss limitation rules would depend on many variables, including such Fund's expected growth rate if the relevant Merger were not to occur (i.e., whether, in the absence of the Merger, the Fund would generate sufficient capital gains against which to utilize its capital loss carryforwards prior to their expiration (and certain realized built-in losses), in excess of what would have been the "annual loss limitation amount" had the relevant Merger occurred), the timing and amount of future capital gains recognized by the Combined Fund if the relevant Merger were to occur, and the timing of a historic Fund shareholder's disposition of its shares (the tax basis of which might, depending on the facts, reflect that shareholder's share of such Fund's capital losses). Shareholders of all of the Funds should consult their own tax advisors in this regard.

In addition, for five years beginning on the Closing Date of a Merger, the Combined Fund will not be allowed to offset certain pre-Merger built-in gains attributable to a Fund that is a gain corporation with capital loss carryforwards (and certain built-in losses) attributable to another Fund.

Management of the Funds

The Board. The Board of each Fund is responsible for the overall supervision of the operations of its respective Fund and performs the various duties imposed on the directors of investment companies by the 1940 Act and under applicable state law. A list of the Trustees, a brief biography for each Trustee and additional information relating to the Board are included in the Statement of Additional Information.

Fund Management. Advent serves as investment adviser to AVK and investment manager to AGC and LCM. In such roles, Advent is responsible for making investment decisions with respect to the investment of each Fund's assets. Advent is a registered investment advisor dedicated to providing its clients with superior investment performance. Advent invests primarily in convertible, high yield and equity securities offered through long only, hedge-fund and NYSE listed closed-end fund products. Advent's investment team consists of seasoned professionals performing bottom-up fundamental research. Since inception in 1995, Advent has grown into a $9.4 billion diversified investment management firm (as of December 31, 2017) with the ability to capture opportunities

globally. Advent's growing client base includes some of the world's largest public and corporate pension plans, foundations, endowments, insurance companies and high net worth individuals. Advent is located at 888 Seventh Avenue, 31st Floor, New York, New York 10019.

GFD serves as servicing agent to AVK. GFIA serves as investment adviser to AGC and LCM. GFD and GFIA are located at 227 West Monroe Street, Chicago, Illinois 60606 and each are wholly owned subsidiaries of Guggenheim Partners, LLC ("Guggenheim"). Guggenheim is a global, diversified financial services firm with more than $305 billion in assets under supervision as of December 31, 2017. Guggenheim, through its affiliates, provides investment management, investment advisory, insurance, investment banking and capital markets services. Guggenheim Investments represents the investment management division of Guggenheim. The firm is headquartered in Chicago and New York with a global network of offices throughout the United States, Europe and Asia.

The contractual investment management, advisory and/or servicing fees paid to the Management Entities (collectively, "Management and Servicing Fees") of the Combined Fund will be identical to those of AVK, which are lower than those of AGC or LCM. The following table sets forth each Fund's Management and Servicing Fees as a percentage of Managed Assets of the Fund.

	AGC	LCM	AVK	Combined Fund
GFIA Advisory Fee	0.40%	0.49%	N/A	N/A
GFD Servicing Fee	N/A	N/A	0.21%	0.21%
Advent Management Fee	0.60%	0.51%	0.54%	0.54%
Total Management and Service Fees	1.00%	1.00%	0.75%	0.75%

After the Mergers, Advent will continue its current role as investment manager to the Combined Fund. GFD will continue in its current role as servicing agent. GFIA (acting as investment adviser) performs investment advisory oversight of Advent (in its role as investment manager) for AGC and LCM. GFIA does not perform this role for AVK. Although GFIA will not continue its role as investment adviser to AGC and LCM, GFD will continue its current role as servicing agent for AVK and both Advent and GFD will have the ability to draw on resources and expertise throughout the Guggenheim organization to manage the Combined Fund.

A discussion regarding the basis for the approval of the investment advisory agreement and the investment sub-advisory agreement(s) of each Fund by the Board of each Fund is provided in such Fund's Form N-CSR for such Fund's most recent fiscal year end available at www.sec.gov or by visiting www.guggenheiminvestments.com.

Portfolio Managers. Tracy V. Maitland and Paul Latronica are the portfolio managers of each Fund and will continue their roles as portfolio managers after the Mergers.

- Tracy V. Maitland, President and Chief Investment Officer of Advent. Mr. Maitland serves as President and Chief Investment Officer of Advent Capital Management, LLC and Co-Portfolio Manager of each Fund. Prior to founding Advent, Mr. Maitland was a Director and National Sales Manager in the Convertible Securities Department in the Capital Markets Division at Merrill Lynch. As the major distribution link between investors and issuers, Mr. Maitland had a unique advantage in investing and trading in the convertible market due to Merrill Lynch's preeminent position in convertibles. While at Merrill Lynch for 13 years, Mr. Maitland advised institutions on investing in specific convertible issues in their respective convertible, fixed income and equity portfolios. The extensive investing knowledge that Mr. Maitland developed at Merrill Lynch inspired him to create Advent Capital Management, LLC in order to satisfy the growing demand for investment expertise in convertible securities and other parts of the capital structure that are influenced by convertible valuations such as high yield and bank debt. He is a graduate of Columbia University and has over 30 years of industry experience.
- Paul L. Latronica, Managing Director and Director of Trading of Advent. Mr. Latronica serves as a Co-Portfolio Manager on the Phoenix Convertible Income Strategies and on the Funds. Prior to joining Advent, Mr. Latronica worked at Alliance Capital Management where he was an Account Manager for the International Closed End Division and also a Portfolio Accountant in the Municipal Bond Division.

Between those positions at Alliance, he worked as an Administrator in Fixed Income Portfolios at Oppenheimer Capital Management. He is a graduate of Franklin & Marshall College and received his Master of Business Administration Degree from Fordham University Business School and has over 18 years of industry experience.

The Statement of Additional Information provides additional information about the portfolio managers' compensation of, other accounts managed and ownership of securities in each Fund by each portfolio manager of the Combined Fund.

Other Service Providers. Certain other service providers for the Funds are as follows:

Service	Service Providers to the Funds
Custodian	The Bank of New York Mellon
Transfer Agent and Registrar	Computershare Shareowner Services LLC
Dividend Disbursing Agent	Computershare Trust Company, N.A.
Administrations	MUFG Investor Services (US), LLC
Fund Accounting Agent	The Bank of New York Mellon
Independent Registered Public Accounting Firm	PricewaterhouseCoopers LLP
Fund Counsel	Skadden, Arps, Slate, Meagher & Flom LLP
Counsel to the Independent Trustees	Willkie Farr & Gallagher LLP

All securities owned by the Funds and all cash, including proceeds from the sale of securities in each Fund's investment portfolio, are held by The Bank of New York Mellon, 101 Barclay Street, New York, New York 10286, as custodian. Computershare Shareowner Services LLC, 480 Washington Boulevard, Jersey City, New Jersey 07310, serves as transfer agent and registrar and Computershare Trust Company, N.A., P.O. Box 30170, College Station, TX 77842, serves as dividend disbursing agent and agent under the Fund's Dividend Reinvestment Plan, for the common shares of the Fund.

It is not anticipated that the Merger will result in any change in the organizations providing services to the Acquiring Fund as set forth above. As a result of the Mergers, the service providers to the Acquiring Fund are anticipated to be the service providers to the Combined Fund.

Capitalization

The tables below set forth (i) the capitalization of the Funds as of October 31, 2017 and (ii) the pro forma capitalization of the Combined Fund as if (a) the proposed Mergers of all of the Funds had occurred on October 31, 2017, which represents the most likely combination of the Mergers, (b) the proposed Merger of only AGC into AVK had occurred on October 31, 2017 and (c) the proposed Mergers of LCM into AVK had occurred on October 31, 2017.

Capitalization as of October 31, 2017 (Unaudited)

<u>Merger of both Target Funds into AVK</u>

	AGC	LCM	AVK	Adjustments	Pro forma Combined Fund (Both Target Funds into AVK)
Net assets	$184,076,566	$86,759,619	$353,389,035	$(1,084,000)[(b)]	$623,141,220
Common shares outstanding[(a)]	27,367,344	9,182,041	20,043,745	15,310,114 [(c)]	35,353,859
NAV per share	$6.73	$9.45	$17.63		$17.63

(a) Based on the number of outstanding common shares listed in "Common shares outstanding" table.

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(b) Reflects non-recurring aggregate estimated merger expenses of $678,578 borne by AGC, $304,089 borne by LCM and $101,333 borne by AVK. The actual costs associated with the proposed Mergers may be more or less than the estimated costs discussed herein.

(c) Reflects adjustments due to differences in per share NAV.

Merger of only AGC into AVK

	AGC	AVK	Adjustments	Pro forma Combined Fund (AGC into AVK)
Net assets	$184,076,566	$353,389,035	$(779,911)[(b)]	$536,685,690
Common shares outstanding[(a)]	27,367,344	20,043,745	10,405,068[(c)]	30,448,813
NAV per share	$6.73	$17.63		$17.63

(a) Based on the number of outstanding common shares listed in “Common shares outstanding” table.

(b) Reflects non-recurring aggregate estimated merger expenses of $678,578 borne by AGC and $101,333 borne by AVK. The actual costs associated with the proposed Mergers may be more or less than the estimated costs discussed herein.

(c) Reflects adjustments due to differences in per share NAV.

Merger of only LCM into AVK

	LCM	AVK	Adjustments	Pro forma Combined Fund (LCM into AVK)
Net assets	$86,759,619	$353,389,035	$(405,422)[(b)]	$439,743,232
Common shares outstanding[(a)]	9,182,041	20,043,745	4,905,046[(c)]	24,948,791
NAV per share	$9.45	$17.63		$17.63

(a) Based on the number of outstanding common shares listed in “Common shares outstanding” table.

(b) Reflects non-recurring aggregate estimated merger expenses of $304,089 borne by LCM and $101,333 borne by AVK. The actual costs associated with the proposed Mergers may be more or less than the estimated costs discussed herein.

(c) Reflects adjustments due to differences in per share NAV.

Portfolio Turnover

Each Fund buys and sells securities to seek to accomplish its investment objective. Portfolio turnover generally involves some expense to the Fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestment in other securities. The portfolio turnover rate is computed by dividing the lesser of the amount of the securities purchased or securities sold by the average monthly value of securities owned during the year (excluding securities whose maturities at acquisition were one year or less). Higher portfolio turnover may decrease the after-tax return to individual investors in the Funds to the extent it results in a decrease of the long-term capital gains portion of distributions to shareholders. Each Fund’s portfolio turnover for the past two fiscal years was:

Fiscal Year Ended	AGC	LCM	AVK
2017	110%	100%	110%
2016	95%	93%	98%

Additional Information About the Common Shares of the Fund

Shareholders of each Fund are entitled to share equally in dividends declared by such Fund’s Board as payable to holders of the Fund’s common shares and in the net assets of the Fund available for distribution to holders of the common shares. Shareholders do not have preemptive or conversion rights and each Fund’s common shares are not redeemable. The outstanding common shares of each Fund are fully paid and nonassessable, except as provided under such Fund’s declaration of trust.

Purchase and sale procedures for the common shares of each of the Funds are identical. Investors typically purchase and sell common shares of the Funds through a registered broker-dealer on the NYSE, thereby incurring a brokerage commission set by the broker-dealer. Alternatively, investors may purchase or sell common shares of each of the Funds through privately negotiated transactions with existing shareholders.

Outstanding Common Shares as of October 31, 2017

Fund	Title of Class	Amount Authorized	Amount Held by Fund for its Own Account	Amount Outstanding Exclusive of Amount Shown in Previous Column
AGC	Common Stock	Unlimited	None	20,043,745
LCM	Common Stock	Unlimited	None	9,182,041
AVK	Common Stock	Unlimited	None	27,367,344

Share Price Data

The following table sets forth, for the periods indicated the high and low premium and/or discount to NAV for a share of common shares of each Fund for the previous three years. For the periods shown, the market price of the common shares of each Fund has fluctuated between a maximum discount and a maximum premium. Although there is no reason to believe that this pattern should be affected by the Mergers, it is not possible to predict whether common shares of the Combined Fund will trade at a premium or discount to NAV following the Mergers, or what the magnitude of any such premium or discount might be.

As of March 19, 2018 , the NAV per common share of AGC was $6.44 and the market price per common share was $5.70, representing a discount to NAV of (11.49)%, the NAV per common share of LCM was $9.05 and the market price per common share was $8.08, representing a discount to NAV of (10.72)% and the NAV per common share of AVK was $17.37 and the market price per common share was $15.53, representing a discount to NAV of (10.59)%.

AGC

	Market Price Per Share		NAV Per Share on Date of Market Price High and Low		Premium/(Discount) on Date of Market Price High and Low	
Period Ended	High	Low	High	Low	High	Low
March 31, 2018	$6.21	$5.52	$6.88	$6.28	-9.74%	-12.12%
December 31, 2017	$6.26	$5.91	$6.73	$6.53	-6.98%	-9.49%
September 30, 2017	$6.46	$6.04	$6.79	$6.68	-4.86%	-9.58%
June 30, 2017	$6.37	$6.07	$6.77	$6.69	-5.91%	-9.27%
March 31, 2017	$6.30	$5.85	$6.78	$6.60	-7.08%	-11.36%
December 31, 2016	$5.88	$5.31	$6.60	$6.28	-10.91%	-15.45%
September 30, 2016	$5.93	$5.52	$6.68	$6.35	-11.23%	-13.07%
June 30, 2016	$5.83	$5.37	$6.55	$6.13	-10.99%	-12.40%
March 31, 2016	$5.53	$4.52	$6.63	$5.59	-16.59%	-19.14%
December 31, 2015	$5.86	$5.24	$7.10	$6.48	-17.46%	-19.14%
September 30, 2015	$6.49	$5.38	$7.59	$6.49	-14.49%	-17.10%
June 30, 2015	$7.00	$6.36	$7.93	$7.53	-11.73%	-15.54%
March 31, 2015	$6.76	$6.24	$7.73	$7.22	-12.55%	-13.57%

LCM

	Market Price Per Share	NAV Per Share on Date of Market	Premium/(Discount) on Date of Market Price High and Low

			Price High and Low			
Period Ended	High	Low	High	Low	High	Low
March 31, 2018	$8.68	$7.83	$9.61	$8.83	-9.68%	-11.33%
December 31, 2017	$8.73	$8.23	$9.44	$9.13	-7.52%	-9.86%
September 30, 2017	$8.86	$8.24	$9.57	$9.09	-7.42%	-9.35%
June 30, 2017	$8.88	$8.41	$9.47	$9.33	-6.23%	-9.86%

March 31, 2017	$8.76	$8.36	$9.60	$9.30	-8.75%	-10.16%
December 31, 2016	$8.38	$7.81	$9.31	$8.95	-9.99%	-12.74%
September 30, 2016	$8.63	$8.17	$9.42	$9.20	-8.39%	-11.20%
June 30, 2016	$8.52	$7.99	$9.35	$8.78	-8.88%	-9.00%
March 31, 2016	$8.26	$7.11	$9.40	$8.19	-12.13%	-13.19%
December 31, 2015	$8.96	$8.09	$10.11	$9.32	-11.39%	-13.20%
September 30, 2015	$9.32	$8.06	$10.71	$9.60	-12.98%	-16.04%
June 30, 2015	$9.77	$9.05	$11.17	$10.58	-12.52%	-14.46%
March 31, 2015	$9.54	$8.88	$10.84	$10.38	-11.99%	-14.45%

AVK

	Market Price Per Share		NAV Per Share on Date of Market Price High and Low		Premium/(Discount) on Date of Market Price High and Low	
Period Ended	High	Low	High	Low	High	Low
March 31, 2018	$16.50	$15.01	$18.28	$16.80	-9.74%	-10.65%
December 31, 2017	$16.44	$15.47	$17.82	$17.17	-7.74%	-9.90%
September 30, 2017	$16.72	$15.85	$17.64	$17.05	-5.22%	-7.04%
June 30, 2017	$16.49	$15.34	$17.42	$17.02	-5.34%	-9.87%
March 31, 2017	$16.23	$14.70	$17.45	$16.87	-6.99%	-12.86%
December 31, 2016	$14.82	$13.36	$16.84	$15.87	-12.00%	-15.82%
September 30, 2016	$15.29	$13.92	$16.77	$15.88	-8.83%	-12.34%
June 30, 2016	$14.46	$13.11	$16.33	$15.51	-11.45%	-15.47%
March 31, 2016	$13.73	$11.15	$16.08	$13.81	-14.61%	-19.26%
December 31, 2015	$14.57	$12.96	$17.19	$15.79	-15.27%	-17.92%
September 30, 2015	$16.49	$13.12	$18.57	$15.95	-11.20%	-17.74%
June 30, 2015	$17.51	$16.27	$19.26	$18.50	-9.09%	-12.05%
March 31, 2015	$17.35	$16.06	$18.98	$18.09	-8.59%	-11.22%

Distributions

AGC and AVK declare and pay monthly distributions to shareholders. LCM declares and pays quarterly distributions to shareholders. Any net realized long-term gains are distributed annually. Distributions to shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from GAAP.

Pursuant to a standstill agreement, AVK has agreed to pay monthly distributions in an amount not less than 8.0% of AVK's NAV based on average month-end NAV over the prior 12 months, effective beginning with the May 2017 distribution and continuing for 24 months. The Combined Fund will continue to honor the Minimum Distribution Rate through the Standstill Expiration.

The tax treatment and characterization of the Combined Fund's distributions may vary significantly from time to time because of the varied nature of the Combined Fund's investments. The Combined Fund will indicate the proportion of its capital gains distributions that constitute long-term and short-term gains annually. The ultimate tax characterization of the Combined Fund's distributions made in a calendar or fiscal year cannot be determined until after the end of that fiscal year. As a result, there is a possibility that the Combined Fund may make total distributions during a calendar or fiscal year in an amount that exceeds the Combined Fund's earnings and profits (as determined for U.S. federal income tax purposes), if any, for the relevant fiscal year and its previously undistributed earnings and profits from prior years, if any. In such situations, the amount by which the Combined Fund's total distributions exceed its earnings and profits generally will be treated as a tax-free return of capital reducing the amount of a shareholder's tax basis in such shareholder's shares, with any amounts exceeding such basis treated as gain from the sale of shares.

Various factors will affect the level of the Combined Fund's net investment income, such as its asset mix, its level of portfolio turnover, the amount and cost of leverage utilized by the Combined Fund, the movement of interest rates and general market conditions and the effects thereof. These factors, among others, may result in the Combined Fund's level of net investment income being different from the level of net investment income for any of the Target Funds or AVK if the Mergers were not completed. To permit the Combined Fund to maintain more stable quarterly distributions and to the extent consistent with the distribution requirements imposed on regulated investment companies by the Code, the Combined Fund may from time to time distribute less than the entire amount earned in a particular period. The income would be available to supplement future distributions. As a result, the distributions paid by the Combined Fund for any particular month may be more or less than the amount actually earned by the Combined Fund during that month. Undistributed earnings will increase the Combined Fund's NAV and, correspondingly, distributions from undistributed earnings and from capital, if any, will reduce the Combined Fund's NAV. Holders of the Combined Fund's common shares will automatically have all dividends and distributions reinvested in common shares issued by the Combined Fund or common shares of the Combined Fund purchased in the open market in accordance with the Combined Fund's Dividend Reinvestment Plan, unless an election is made to receive cash. For information concerning the manner in which dividends and distributions to holders of the Combined Fund's common shares may be reinvested automatically in the Combined Fund's common shares, see "Dividend Reinvestment Plan" as follows.

Dividend Reinvestment Plan

Under each Fund's Dividend Reinvestment Plan (the "Plan"), a common shareholder whose common shares are registered in his or her own name will have all distributions reinvested automatically by Computershare Trust Company, N.A., which is agent under the Plan (the "Plan Agent"), unless the common shareholder elects to receive cash. Distributions with respect to common shares registered in the name of a broker-dealer or other nominee (that is, in "street name") will be reinvested in additional common shares under the Plan, unless the broker or nominee does not participate in the Plan or the common shareholder elects to receive distributions in cash. Investors who own common shares registered in street name should consult their broker-dealers for details regarding reinvestment. All distributions to investors who do not participate in the Plan will be paid by check mailed directly to the record holder by Computershare Trust Company, N.A. as dividend disbursing agent. A participant in the Plan who wishes to opt out of the Plan and elect to receive distributions in cash should contact Computershare Trust Company, N.A. in writing at the address specified below or by calling the telephone number specified below.

Under the Plan, whenever the market price of the common shares is equal to or exceeds net asset value at the time common shares are valued for purposes of determining the number of common shares equivalent to the cash dividend or capital gains distribution, participants in the Plan are issued new common shares from the Fund, valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then-current market price of the common shares. The valuation date is the dividend or distribution payment date or, if that date is not a NYSE trading day, the next preceding trading day. If the net asset value of the common shares at the time of valuation exceeds the market price of the common shares, the Plan Agent will buy the common shares for the Plan in the open market, on the NYSE or elsewhere, for the participants' accounts, except that the Plan Agent will endeavor to terminate purchases in the open market and cause the Fund to issue common shares at the greater of net asset value or 95% of market value if, following the commencement of such purchases, the market value of the common shares exceeds net asset value. If the Fund should declare a distribution or capital gains distribution payable only in cash, the Plan Agent will buy the common shares for the Plan in the open market, on the NYSE or elsewhere, for the participants' accounts. There is no charge from the Fund for reinvestment of dividends or distributions in common shares pursuant to the Plan; however, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open-market purchases.

The Plan Agent maintains all shareholder accounts in the Plan and furnishes written confirmations of all transactions in the account, including information needed by shareholders for personal and tax records. Common shares in the account of each Plan participant will be held by the Plan Agent in non-certificated form in the name of the participant. In the case of shareholders such as banks, brokers or nominees, which hold common shares for others who are the beneficial owners, and participate in the Plan, the Plan Agent will administer the Plan on the basis of the number of common shares certified from time to time by the common shareholder as representing the total amount registered in the shareholder's name and held for the account of beneficial owners who participate in the Plan.

The automatic reinvestment of dividends and other distributions will not relieve participants of an income tax that may be payable or required to be withheld on such dividends or distributions.

Experience under the Plan may indicate that changes are desirable. Accordingly, each Fund reserves the right to amend or terminate its Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of such Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by the Plan Agent on at least 90 days' prior written notice to the participants in such Plan. All correspondence concerning the Plan should be directed to the Plan Agent, Computershare, P.O. Box 30170, College Station, TX 77842, Attention: Shareholder Services Department. Participants may also contact Computershare Trust Company, N.A. online at www.computershare.com/investor or by telephone at 1-866-488-3559.

Certain Provisions of the Governing Documents

The Combined Fund will be governed by the governing documents of AVK. The governing documents of AVK are substantially identical to the governing documents of AGC and LCM.

AVK's declaration of trust includes provisions that could have the effect of limiting the ability of other entities or persons to acquire control of the Combined Fund or to change the composition of its Board. This could have the effect of depriving shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging a third party from seeking to obtain control over the Combined Fund. Such attempts could have the effect of increasing the expenses of the Combined Fund and disrupting the normal operation of the Combined Fund.

The Board of AVK is divided into three classes, with the terms of one class expiring at each annual meeting of shareholders. At each annual meeting, one class of trustees is elected to a three-year term. This provision could delay for up to two years the replacement of a majority of the Board of the Combined Fund. Under the governing documents, a director may only be removed from office for cause, and not without cause, and only by action taken by a majority of the remaining Trustees followed by the holders of at least seventy-five percent (75%) of the outstanding shares then entitled to vote in an election of such Trustee.

AVK's declaration of trust provides that the holders of a majority of the shares entitled to vote on any matter at a meeting present in person or by proxy shall constitute a quorum at such meeting of the shareholders for purposes of conducting business on such matter. AVK's declaration of trust also requires approval by two-thirds of the Trustees and a 1940 Act Majority shareholder vote to merge or consolidate with any other corporation, association, trust or other organization or may sell, lease or exchange all or substantially all of the Fund's property, including its good will. Reference should be made to the declaration of trust of each Fund on file with the SEC.

Voting Rights

Voting rights are identical for the shareholders of each Fund. The shareholders of each Fund are entitled to one vote for each share held by them. The shareholders of each Fund do not have any preemptive or preferential right to purchase or subscribe to any shares of such Fund.

Each Fund's common shares do not have cumulative voting rights, which means that the holders of more than 50% of a Fund's common shares voting for the election of trustees can elect all of the trustees standing for election by such holders, and, in such event, the holders of the Fund's remaining common shares will not be able to elect any trustees.

Appraisal Rights

Shareholders of each Fund do not have appraisal rights for their common shares in connection with the Mergers because Delaware statutory trust law and each Fund's governing documents do not provide for appraisal rights.

Legal Matters

Certain legal matters concerning the U.S. federal income tax consequences of the Merger and the issuance of Acquiring Fund Shares will be passed upon by Skadden, Arps, Slate, Meagher & Flom LLP, which serves as special counsel to the Funds.

Required Vote

Shareholder approval of the AGC Merger requires the affirmative vote by a 1940 Act Majority of AGC's shareholders. Shareholder approval of the LCM Merger requires the affirmative vote by a 1940 Act Majority of LCM's shareholders. Each Merger is conditioned on the approval of such Merger by AVK's shareholders, which requires the affirmative vote by a 1940 Act Majority of AVK's shareholders. A "1940 Act Majority" means the affirmative vote of either (i) 66 % or more of the voting securities present at the Meeting, if the holders of more than 50% of the outstanding voting securities of the Fund are present or represented by proxy, or (ii) more than 50% of the outstanding voting securities of the Fund, whichever is less. For additional information regarding voting requirements, see "Voting Information."

An unfavorable vote by shareholders of a Target Fund, or the unfavorable vote by shareholders of the Acquiring Fund on the Merger of one Target Fund, will not affect the implementation of the Merger by the other Target Fund, if the other Merger is approved by the shareholders of the Acquiring Fund and the other Target Fund. If the Merger of a Target Fund is not approved that Target Fund will continue to operate as a separate fund. In such event, Fund management may recommend alternative proposals to the Board and the Board may also consider other strategic alternatives for that Target Fund.

AVK's common shares are listed on the NYSE and the new shares to be issued in connection with the Mergers will be listed on the NYSE. Approval of each Merger Agreement by shareholders of AVK will constitute approval of the common shares to be issued pursuant to such Merger Agreement in accordance with Section 312 of the NYSE Listed Company Manual, which requires a listed company to obtain shareholder approval prior to the issuance of common shares if any transaction or series of transactions would result in an increase by 20% or more in the amount of shares outstanding.

The holders of Shares will have equal voting rights (i.e., one vote per common share). Abstentions will have the same effect as votes against the proposal. "Broker non-votes" (i.e., common shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owner or the persons entitled to vote and (ii) the broker does not have discretionary voting power on a particular matter) will have the same effect as votes against the proposal.

Board Recommendation

The AGC Board recommends that shareholders of AGC vote "FOR" AGC's proposed Merger.

The LCM Board recommends that shareholders of LCM vote "FOR" LCM's proposed Merger.

The AVK Board recommends that shareholders of AVK vote "FOR" AVK's proposed Mergers with AGC and LCM.

PROPOSAL 2: TRUSTEE ELECTIONS

Introduction

Each Fund's Agreement and Declaration of Trust and the rules of the NYSE require each Fund to hold an annual meeting of shareholders to elect Trustees each fiscal year. At the Meeting, shareholders of the Funds are being asked to elect Trustees in the following manner:

Shareholders of each of AVK and AGC: To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class III Trustees, to serve until the Fund's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified; and

Shareholders of LCM: To elect Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg, as Class II Trustees, to serve until the Fund's 2021 annual meeting of shareholders or until their respective successors shall have been elected and qualified.

Composition of the Board of Trustees

The Trustees of each Fund are classified into three classes of Trustees. Set forth below are the current Class I Trustees, Class II Trustees and Class III Trustees of each Fund:

AVK and AGC.

Class I Trustees. Mr. Randall C. Barnes, Mr. Derek Medina and Mr. Gerald L. Seizert are the Class I Trustees of AVK and AGC. The term of the Class I Trustees will continue until the 2019 annual meeting of shareholders or until successors shall have been elected and qualified.

Class II Trustees. Mr. Daniel L. Black and Mr. Michael A. Smart are the Class II Trustees of AVK and AGC. The term of the Class II Trustees will continue until the 2020 annual meeting of shareholders or until successors shall have been elected and qualified.

Class III Trustees. Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg are the Class III Trustees of AVK and AGC. Mr. Maitland and Mr. Nyberg are standing for re-election at the Meeting.

LCM.

Class I Trustees. Mr. Daniel L. Black and Mr. Michael A. Smart are the Class I Trustees of AVK and AGC. The term of the Class I Trustees will continue until the 2020 annual meeting of shareholders or until successors shall have been elected and qualified.

Class II Trustees. Mr. Tracy V. Maitland and Mr. Ronald A. Nyberg are the Class II Trustees of AVK and AGC. Mr. Maitland and Mr. Nyberg are standing for re-election at the Meeting.

Class III Trustees. Mr. Randall C. Barnes, Mr. Derek Medina and Mr. Gerald L. Seizert are the Class III Trustees of AVK and AGC. The term of the Class III Trustees will continue until the 2019 annual meeting of shareholders or until successors shall have been elected and qualified.

Each Trustee nominee, if elected at the Meeting, will hold office for three years or until his successor shall have been elected and qualified or until he resigns or is otherwise removed. The other Trustees of the Funds will continue to serve under their current terms and will stand for re-election at subsequent annual meetings of shareholders as indicated above.

Unless authority is withheld or other instructions are provided, it is the intention of the persons named in the proxy card to vote "FOR" the election of the Trustee nominees named above. Mr. Maitland and Mr. Nyberg have consented to serve as a Trustee of each Fund for which they are standing for re-election if elected at the Meeting. If a designated Trustee nominee declines or otherwise becomes unavailable for election, however, the proxy confers discretionary power on the persons named therein to vote in favor of a substitute Trustee nominee or nominees.

Certain information concerning the current Trustees, the Trustee nominees and the officers of each of the Funds is set forth below under "Trustees and Trustee Nominees." The sole "interested" Trustee (as defined in Section 2(a)(19) of the 1940 Act) is identified in the table below. The "Independent Trustees" are those who are not interested persons of (i) the Funds, (ii) Advent, (iii) GFIA, or (iv) GFD, and who satisfy the requirements contained in the definition of "independent" as defined in Rule 10A-3 under the Securities Exchange Act of 1934.

Each Fund is part of a fund complex of U.S. registered investment companies advised or managed by Advent (the "Advent Fund Complex"). The Funds are also part of a fund complex that consists of U.S. registered investment companies advised or serviced by Guggenheim Funds or its affiliates (referred to herein as the "Guggenheim Funds Fund Complex"). The Guggenheim Funds Fund Complex is composed of [ ] closed-end funds (including the Funds), [ ] open-end funds and [ ] exchange-traded funds. The Guggenheim Funds Fund Complex is overseen by multiple boards of trustees. Mr. Nyberg and Mr. Barnes also serve as trustees of certain other Funds in the Guggenheim Funds Fund Complex. Mr. Maitland, Mr. Medina, Mr. Seizert, Mr. Smart and Mr. Black do not serve as trustees of funds in the Guggenheim Funds Fund Complex other than the Funds.

Board Leadership Structure

The primary responsibility of the Board is to represent the interests of the shareholders of each Fund and to provide oversight of the management of each Fund. Each Fund's day-to-day operations are managed by such Fund's investment adviser, investment manager and other service providers who have been approved by the Board. The Board is currently comprised of seven Trustees, six of whom are Independent Trustees and one of whom is classified as an "interested" Trustee. The Independent Trustees are represented by independent legal counsel at Board and committee meetings. Generally, the Board acts by majority vote of all the Trustees, including a majority vote of the Independent Trustees if required by applicable law.

The Board has appointed an Interested Trustee as chairperson and the Independent Trustees of the Board have designated Mr. Daniel L. Black as lead Independent Trustee who chairs meetings or executive sessions of the Independent Trustees, reviews and comments on Board meeting agendas, represents the views of the Independent Trustees to management and facilitates communication among the Independent Trustees and their counsel.

The Board has established two standing committees (as described below) and has delegated certain responsibilities to those committees, each of which is comprised solely of Independent Trustees. The Board and its committees meet periodically throughout the year to oversee each Fund's activities, review contractual arrangements with service providers, review the Fund's financial statements, oversee compliance with regulatory requirements, and review performance. The Board has determined that this leadership structure, including an Interested Trustee as chairperson, a lead Independent Trustee, a supermajority of Independent Trustees on the Board, committee membership limited to Independent Trustees, and the participation and advice of independent legal counsel, is appropriate because it allows the Board to exercise informed and independent judgment over the matters under its purview and it allocates areas of responsibility among committees of Trustees and the full Board in a manner that enhances effective oversight.

Board's Role in Risk Oversight

The day-to-day management of various risks relating to the administration and operation of each Fund is the responsibility of each Fund's investment advisor, investment manager and other service providers retained by the Board or by management, most of whom employ professional personnel who have risk management responsibilities. The Board oversees this risk management function consistent with and as part of its oversight duties. The Board performs this risk management oversight function directly and, with respect to various matters, through an Audit Committee and a Nominating and Governance Committee established by the Board. Each committee reports its activities to the Board on a regular basis. The following description provides an overview of many, but not all, aspects of the Board's oversight of risk management for each Fund. In this connection, the Board has been advised that it is not practicable to identify all of the risks that may impact each Fund or to develop procedures or controls that are designed to eliminate all such risk exposures, and that applicable securities law regulations do not contemplate that all such risks be identified and addressed.

The Board, working with personnel of each Fund's investment advisor, investment manager and other service providers, has endeavored to identify the primary risks that confront each Fund. In general, these risks include, among others, investment risks, credit risks, liquidity risks, valuation risks, operational risks, reputational risks, regulatory risks, risks related to potential legislative changes and the risk of conflicts of interest affecting affiliates of Advent and Guggenheim Funds in managing each Fund. The Board has adopted and periodically reviews various policies and procedures that are designed to address these and other risks confronting each Fund. In addition, the officers of each Fund, each Fund's investment advisor, investment manager and other service providers to each Fund have also implemented a variety of processes, procedures and controls designed to address particular risks to each Fund. The Board and persons retained to render advice and service to the Board periodically review and/or monitor changes to and developments relating to the effectiveness of these policies and procedures.

The Board requires officers of each Fund to report to the full Board on a variety of matters at regular and special meetings of the Board and its committees, as applicable, including matters relating to risk management. The Audit Committee of each Fund also receives reports from such Fund's independent registered public accounting firm on internal control and financial reporting matters. On at least a quarterly basis, the Board meets with each Fund's Chief Compliance Officer, including separate meetings with the Independent Trustees in executive session periodically, to discuss compliance matters and, on a quarterly basis, receives a report from the Chief Compliance Officer regarding compliance matters. The Board, with the assistance of each Fund's management, reviews investment policies and risks in connection with its review of each Fund's performance. In addition, the Board receives reports from each Fund's investment advisor or investment manager on the investments and securities trading of each Fund. With respect to valuation, the Board has approved fair valuation procedures applicable to valuing each Fund's securities, which the Board and the Audit Committee periodically review. The Board also requires each Fund's investment adviser and investment manager to report to the Board on other matters relating to risk management on a regular and as-needed basis.

Descriptions of the primary risks of investing in each Fund are discussed above, see "Risk Factors—General Risks for Investing in the Funds," and on the Guggenheim website for AVK (www.guggenheiminvestments.com/avk), AGC (www.guggenheiminvestments.com/agc) and LCM (www.guggenheiminvestments.com/lcm).

Trustees and Trustee Nominees

Name, Address[1] and Year of Birth	Position(s) Held with Funds	Term of Office[2] and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen	Other Public Company or Investment Company Directorships Held
Independent Trustees					
Randall C. Barnes Year of Birth: 1951	Trustee	†	Current: Private Investor (2001-present). Former: Senior Vice President and Treasurer, PepsiCo, Inc. (1993-1997); President, Pizza Hut International (1991-1993); Senior Vice President, Strategic Planning and New Business Development, PepsiCo, Inc. (1987-1990).	3	Current: Trustee, of funds in the Guggenheim Funds Fund Complex[3]; Purpose Investments Funds (2014-present).

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Name, Address[1] and Year of Birth	Position(s) Held with Funds	Term of Office[2] and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen	Other Public Company or Investment Company Directorships Held
Daniel L. Black Year of Birth: 1960	Trustee	†	Current: Managing Partner, the Wicks Group of companies, LLC (2003-present). Former: Managing Director and Co-Head of the Merchant Banking Group at BNY Capital Markets, a division of BNY Mellon (1998-2003); and Co-Head of U.S. Corporate Banking at BNY Mellon (1995-1998).	3	Current: Sprouts, LLC (2015-present); Harlem Lacrosse & Leadership, Inc. (2014-present); Bendon Publishing International (2012-present); Antenna International, Inc. (2010-present); Bonded Services, Ltd. (2011-present). Former: Penn Foster Education Group, Inc. (2007-2009).
Derek Medina Year of Birth: 1966	Trustee	†	Current: Senior Vice President, Business Affairs at ABC News (2008-present). Former: Vice President, Business Affairs and News Planning at ABC News (2003-2008); Executive Director, Office of the President at ABC News (2000-2003); Associate at Cleary Gottlieb Steen & Hamilton (law firm) (1995-1998); Associate in Corporate Finance at J.P. Morgan/Morgan Guaranty (1988-1990).	3	Current: Young Scholar's Institute (2005-present); Oliver Scholars (2011-present).
Ronald A. Nyberg Year of Birth: 1953	Trustee	†	Current: Partner, Momkus McCloskey LLC (2016-present). Former: Partner, Nyberg & Cassioppi, LLC (2000-2016); Executive Vice President, General Counsel, and Corporate Secretary, Van Kampen Investments (1982-1999).	3	Current: Trustee, of funds in the Guggenheim Funds Fund Complex[4]; PPM Funds (February 2018-present); Edward-Elmhurst Healthcare System (2012-present).
Gerald L. Seizert Year of Birth: 1952	Trustee	†	Current: Managing Partner of Seizert Capital Partners, LLC, where he directs the equity disciplines of the firm. Former: Co-Chief Executive (1998-1999) and a Managing Partner and Chief Investment Officer – Equities of Munder Capital Management, LLC (1995-1999); Vice President and Portfolio Manager of Loomis, Sayles & Co., L.P. (asset manager) (1984-1995); Vice President and Portfolio Manager at First of America Bank (1978-1984).	3	Current: Beaumont Hospital (2012-present).

Name, Address[1] and Year of Birth	Position(s) Held with Funds	Term of Office[2] and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen	Other Public Company or Investment Company Directorships Held
Michael A. Smart Year of Birth: 1960	Trustee	†	Current: Managing Partner, CSW Private Equity (July 2014-present), Managing Partner, Cordova, Smart & Williams, LLC (2003-present). Former: Principal, First Atlantic Capital Ltd (2001-2003); Managing Director in Investment Banking – the Private Equity Group (1995-2001) and a Vice President in Investment Banking – Corporate Finance (1992-1995) at Merrill Lynch & Co; Founding Partner of The Carpediem Group, a private placement firm (1991-1992); Associate at Dillon, Read and Co. (investment bank) (1988-1990).	3	Current: National Association of Investment Companies ("NAIC") 2010-present; Sprint Industrial Holdings (2007-present). Former: Berkshire Blanket, Holdings, Inc. (2006-2016); Sqwincher Holdings (2006-2015).
Interested Trustee					
Tracy V. Maitland* Year of Birth: 1960	Trustee, Chairman, President and Chief Executive Officer	†	Current: President and Founder, Advent Capital Management, LLC (2001-present). Former: President, Advent Capital Management, a division of Utendahl Capital.	3	None.

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(1) The business address of each Trustee of the Funds is 888 Seventh Avenue, 31st Floor, New York, New York 10019, unless otherwise noted.

(2) Each Trustee is expected to serve a three year term concurrent with the class of Trustees for which he serves.

- Mr. Barnes, Mr. Medina and Mr. Seizert, as Class I Trustees of AVK and AGC and Class III Trustees of LCM, are expected to stand for re-election at the Funds' annual meeting of shareholders for the fiscal year ending in 2019.
- Mr. Black and Mr. Smart, as Class II Trustees of AVK and AGC and Class I Trustees of LCM, are expected to stand for re-election at the Funds' annual meeting of shareholders for the fiscal year ending in 2020.
- Mr. Maitland and MR. Nyberg, as Class III Trustees of AVK and AGC and Class II Trustees of LCM, are standing for re-election at the Meeting.

(3) As of the date of this SAI, Mr. Barnes oversees [ ] portfolios in the Guggenheim Funds Fund Complex. The funds in the Guggenheim Funds Fund Complex are overseen by multiple boards of trustees.

(4) As of the date of this SAI, Mr. Nyberg oversees [ ] portfolios in the Guggenheim Funds Fund Complex. The funds in the Guggenheim Funds Fund Complex are overseen by multiple boards of trustees.

* Mr. Maitland is deemed to be an "interested person" of the Fund under the 1940 Act by reason of his position with Advent.

† Trustee since:

	AGC	LCM	AVK
Independent Trustees			
Barnes	2007	2005	2005
Black	2007	2005	2005
Medina	2007	2005	2003
Nyberg	2007	2005	2003
Seizert	2007	2005	2003
Smart	2007	2005	2003

Interested Trustee
Maitland 2007 2005 2003

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Trustee Experiences, Qualifications and Skills

The Board believes that, collectively, the Trustees have balanced and diverse experiences, skills, attributes and qualifications, which allow the Board to operate effectively in governing each Fund and protecting the interests of shareholders.

The Trustees were selected to serve and continue on the Board based upon their skills, experience, judgment, analytical ability, diligence, ability to work effectively with other Trustees, each Fund's investment advisor, investment manager, other service providers, counsel and independent auditors, availability and commitment to attend meetings and perform the responsibilities of a Trustee and to exercise effective business judgment in the performance of their responsibilities as a Trustee and, for each Independent Trustee, a demonstrated willingness to take an independent and questioning view of management. Each Trustee also now has considerable familiarity with the Funds, each Fund's investment advisor, investment manager and other service providers, and their operations, as well as the special regulatory requirements governing regulated investment companies and the special responsibilities of investment company trustees as a result of his substantial prior service as a Trustee of each Fund.

Each Trustee's ability to perform his duties effectively is evidenced by his educational background or professional training; business positions; experience from service as a Trustee of the Funds, other investment funds, public companies, or non-profit entities or other organizations; ongoing commitment and participation in Board and committee meetings throughout the years; or other relevant life experiences.

The following is a summary of the experience, qualifications, attributes and skills of each Trustee that support the conclusion, as of the date of this proxy statement, that each Trustee should serve as a Trustee in light of each Fund's business and structure. References to the qualifications, attributes and skills of Trustees are pursuant to requirements of the SEC, do not constitute holding out of the Boards or any Trustee as having any special expertise and shall not impose any greater responsibility or liability on any such person or on the Boards by reason thereof.

Trustee	Experiences, Qualifications and Skills
Tracy V. Maitland	Mr. Maitland's service as a Trustee of each Fund and his experience as President and Chief Investment Officer of Advent Capital Management, LLC provides him with experience in financial, accounting, regulatory, governance and investment matters, with particular experience and practical business knowledge in the investment management industry.
Randall C. Barnes	Mr. Barnes's service as a Trustee of each Fund, his executive employment experience at various global food and beverage companies, and his personal investment experience, provides him with experience in financial, accounting, regulatory, governance and investment matters.
Daniel L. Black	Mr. Black's service as a Trustee and as a past board member for a variety of organizations including information, education and media businesses and his long career of holding leadership positions in general management, commercial banking and credit, investment banking, private equity and mezzanine investing provides him with experience in financial, accounting, regulatory, governance and investment matters.
Derek Medina	Mr. Medina's service as a Trustee of each Fund, his experience as Senior Vice President at ABC News, and his professional training and prior experience as an attorney at a law firm and a financial services firm provides him with experience in financial, regulatory, investment, legal and governance matters.
Ronald A. Nyberg	Mr. Nyberg's service as a Trustee of each Fund, and his professional training and experience as an attorney and partner of a law firm and at an asset management firm provides him with experience in financial, regulatory, legal, investment management and governance matters.
Gerald L. Seizert	Mr. Seizert's service as a Trustee of each Fund, and his service at various asset management firms, including serving as CEO and as a board member, provides him with experience in financial, accounting, regulatory, governance, capital markets and investment matters.

Michael A. Smart	Mr. Smart's service as a Trustee of each Fund, and as a board member, managing partner and employee of various financial and operating companies provides him with experience in financial, accounting, regulatory, governance, investment banking, private equity and investment matters.

Executive Officers

The Funds' officers receive no compensation from the Funds, but may also be officers or employees of the investment manager, the investment advisor or affiliates of the investment manager or investment advisor of the Funds and may receive compensation in such capacities.

Name, Address[(1)] and Year of Birth	Position(s) held with the Funds	Term of Office[(2)] and Length of Time Served	Principal Occupations(s) During Past 5 Years
Edward C. Delk Year of Birth: 1968	Chief Compliance Officer and Secretary	†	General Counsel and Chief Compliance Officer, Advent Capital Management, LLC (2012-present). Formerly, Assistant General Counsel and Chief Compliance Officer, Insight Venture Management, LLC (2009-2012). Associate General Counsel, TIAA-CREF (2008-2009). Principal, Legal Department, The Vanguard Group, Inc. (2000-2008).
Tony Huang Year of Birth: 1976	Vice President and Assistant Secretary	†	Current: Vice President, Co-Portfolio Manager and Analyst, Advent Capital Management, LLC (2007- present). Formerly, Senior Vice President, Portfolio Manager and Analyst, Essex Investment Management (2001-2006); Vice President, Analyst, Abacus Investments (2001); Vice President, Portfolio Manager, M/C Venture Partners (2000-2001); Associate, Fidelity Investments (1996-2000).
Robert White Year of Birth: 1967	Chief Financial Officer and Treasurer	†	Chief Financial Officer, Advent Capital Management, LLC (2005-present). Formerly, Vice President, Client Service Manager, Goldman Sachs Prime Brokerage (1997-2005).

(1) The business address of each officer of the Fund is c/o Advent Capital Management, LLC, 888 Seventh Avenue, 31st Floor, New York, New York 10019.

(2) Officers serve at the pleasure of the Board and until his or her successor is appointed and qualified or until his or her resignation or removal.

†Officer since:

	AGC	LCM	AVK
Delk	2012	2012	2012
Huang	2014	2014	2014
White	2005	2005	2005

Board Committees

The Trustees have determined that the efficient conduct of the Funds' affairs makes it desirable to delegate responsibility for certain specific matters to committees of the Boards. The committees meet as often as necessary, either in conjunction with regular meetings of the Trustees or otherwise. The standing committees of the Boards are the Audit Committee and the Nominating and Governance Committee.

Audit Committee. Each Fund has an Audit Committee, composed of all of the Independent Trustees, which is charged with selecting a firm of independent registered public accountants for such Fund and reviewing accounting matters with the accountants. The members of the Audit Committee of each Fund are Messrs. Seizert, Smart,

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Barnes, Black, Medina and Nyberg, all of whom are Independent Trustees. A majority of the members of the Audit Committee of each Fund are audit committee financial experts and are independent for the purpose of the definition of audit committee financial expert as applicable to such Fund.

The Audit Committee of each Fund presents the following report:

The Audit Committee of each Fund performed the following functions: (i) each Audit Committee reviewed and discussed the audited financial statements of the Fund with management of each Fund; (ii) each Audit Committee discussed with the independent registered public accounting firm the matters required to be discussed by the Statement on Auditing Standards No. 114, (iii) each Audit Committee received the written disclosures and the letter from the independent registered public accounting firm required by Public Company Accounting Oversight Board Rule 3526 and has discussed with the independent registered public accounting firm the auditors' independence and (iv) each Audit Committee recommended to the Board of Trustees of the Fund that the financial statements be included in the Fund's Annual Report for the past fiscal year.

The Audit Committee of each Fund is governed by a joint written Audit Committee charter, the most recent version of which was approved by the Board on June 26, 2012. The Joint Audit Committee charter of the Funds are not available on the Funds' websites. In accordance with proxy rules promulgated by the SEC, a fund's audit committee charter is required to be filed at least once every three years with a fund's proxy statement. The Joint Audit Committee Charter is attached as Appendix C to the Proxy Statement/Prospectus.

Nominating and Governance Committee. The Board has a Nominating and Governance Committee, which performs the functions set forth in the Joint Nominating and Governance Committee Charter of the Funds. The Nominating and Governance Committee is composed of all of the Independent Trustees. Each Fund's Independent Trustees meet regularly as a group in executive session as the Nominating and Governance Committee.

As part of its duties, the Nominating and Governance Committee of each Fund makes recommendations to the full Board with respect to candidates for election to the Board. The Nominating and Governance Committee will consider trustee candidates recommended by shareholders for their consideration. In considering candidates recommended to the Nominating and Governance Committee by shareholders, the Nominating and Governance Committee of each Fund will take into consideration the needs of the Board and the qualifications of the candidate. The Nominating and Governance Committee may also take into consideration the number of shares held by the recommending shareholder and the length of time that such shares have been held. To have a candidate recommendation considered by the Nominating and Governance Committee, a shareholder must submit the recommendation in writing and must include:

- The name of the shareholder and evidence of the person's ownership of shares of the applicable Fund(s), including the number of shares owned and the length of time of ownership; and
- The name of the recommended candidate, the candidate's resume or a listing of his or her qualifications to be a Trustee of the Fund(s) and the person's consent to be named as a Trustee if selected by the Nominating and Governance Committee and nominated by the Board.

In order for a shareholder's recommended candidate to be considered by the Nominating and Governance Committee, the information described above must be sent to the applicable Fund's Secretary, c/o Advent Capital Management, LLC, 888 Seventh Avenue, 31st Floor, New York, New York 10019.

The Nominating and Governance Committee of each Fund believes that the minimum qualifications for serving as a Trustee of each Fund are that a candidate demonstrate, by significant accomplishment in his or her field, an ability to make a meaningful contribution to the Board's oversight of the business and affairs of such Funds and have an impeccable record and reputation for honest and ethical conduct in both his or her professional and personal activities. In addition, the Nominating and Governance Committee of each Fund examines a candidate's specific experiences and skills, time availability in light of other commitments, potential conflicts of interest and independence from management and such Fund. The Nominating and Governance Committee has a policy to consider diversity of backgrounds and experience when identifying Trustee nominee candidates. The Nominating and Governance Committee believes the Boards generally benefit from diversity of background, experience and views among its members, and considers how a particular candidate could be expected to contribute to such overall diversity and thereby enhance the effectiveness of the Board.

The Joint Nominating and Governance Committee Charter of the Funds was approved by the Boards of AVK and LCM on December 12, 2006 and by the Board of AGC on March 13, 2007. The Joint Nominating and Governance Committee Charter of the Funds is not available on the Funds' websites. In accordance with proxy rules promulgated by the SEC, a fund's nominating committee charter is required to be filed at least once every three years with a fund's proxy statement. The Joint Nominating and Governance Committee Charter of the Funds was attached as Appendix A to the Funds' 2016 proxy statement.

Trustee Communications

Shareholders and other interested parties may contact the Boards or any member of the Boards by mail. To communicate with the Boards or any member of the Boards, correspondence should be addressed to the Board or the Board members with whom you wish to communicate by either name or title. All such correspondence should be sent c/o the Secretary of the Fund or Funds at 888 Seventh Avenue, 31st Floor, New York, New York 10019.

Trustee and Officer Beneficial Ownership of Securities

As of December 31, 2017, the Trustees beneficially owned equity securities of the Funds and the funds in the Advent Fund Complex in the aggregate in the following amounts:

Name of Trustee or Trustee Nominee	Aggregate Dollar Range of Equity Securities in AGC	Aggregate Dollar Range of Equity Securities in LCM	Aggregate Dollar Range of Equity Securities in AVK	Aggregate Dollar Range of Equity Securities in the Fund Complex
INDEPENDENT TRUSTEES				
Randall C. Barnes	$10,001-$50,000	$10,001-$50,000	$10,001-$50,000	Over $100,000
Daniel L. Black	$10,001-$50,000	$50,001-$100,000	$10,001-$50,000	Over $100,000
Derek Medina	$10,001-$50,000	$10,001-$50,000	$10,001-$50,000	$50,001-$100,000
Ronald A. Nyberg	$10,001-$50,000	$10,001-$50,000	$10,001-$50,000	$50,001-$100,000
Gerald L. Seizert	Over $100,000	Over $100,000	Over $100,000	Over $100,000
Michael A. Smart	$10,001-$50,000	$10,001-$50,000	$10,001-$50,000	$50,001-$100,000
INTERESTED TRUSTEE				
Tracy V. Maitland	$50,001-$100,000	Over $100,000	Over $100,000	Over $100,000

As of December 31, 2017, each Trustee and officer and the Trustees and officers of each Fund as a group owned less than 1% of the outstanding shares of any class of each Fund, except with respect to LCM. As of December 31, 2017, the Trustees and officers of LCM, individually and as a group, beneficially owned equity securities of LCM in the following amounts:

Name of Trustee, Trustee Nominee or Officer	Common Shares of LCM Owned	Percentage of Common Shares Beneficially Owned
INDEPENDENT TRUSTEES		
Randall C. Barnes	3,828	*
Daniel L. Black	4,567	*
Derek Medina	1,800	*
Ronald A. Nyberg	3,980	*
Gerald L. Seizert	52,805	*
Michael A. Smart	2,500	*
INTERESTED TRUSTEE		

Tracy V. Maitland	50,000	*
OFFICERS		
Edward C. Delk	0	*
Tony Huang	8,500	*
Robert White	0	*
Trustees and Officers as a group	127,980	1.39%

*Less than 1%.

Board Meetings

Five meetings of the Board were held during its last fiscal year ended October 31, 2017.

Three meetings of the Audit Committee of each Fund were held during its last fiscal year ended October 31, 2017.

Two meetings of the Nominating and Governance Committee of each Fund were held during its last fiscal year ended October 31, 2017.

Each Trustee attended at least 75% of the aggregate of: (i) all regular meetings of the Board held during its last fiscal year ended October 31, 2017; and (ii) all meetings of all committees of the Board on which the Trustee served held during its fiscal year ended October 31, 2017.

It is the Funds' policy to invite Trustees to attend joint annual meetings of shareholders of the Funds. At the joint annual meetings of shareholders of the Funds held on September 27, 2017, all Trustees attended the meeting in person.

Trustee Compensation

The following table sets forth the compensation paid to each Trustee by each Fund and the total compensation paid to each Trustee by the Advent Fund Complex and the Guggenheim Funds Fund Complex, as applicable, during the Funds' most recently completed fiscal year.

Name of Trustee or Trustee Nominee	Aggregate Compensation from AGC	Aggregate Compensation from AVK	Aggregate Compensation from LCM	Total Compensation from Closed-End Complex
INDEPENDENT TRUSTEES				
Randall C. Barnes	$26,000	$26,000	$26,000	$78,000(1)
Daniel L. Black	$30,000	$30,000	$30,000	$90,000
Derek Medina	$26,000	$26,000	$26,000	$78,000
Ronald A. Nyberg	$27,500	$27,500	$27,500	$82,500(2)
Gerald L. Seizert	$27,500	$27,500	$27,500	$82,500
Michael A. Smart	$26,000	$26,000	$26,000	$78,000
INTERESTED TRUSTEE				
Tracy V. Maitland	$0	$0	$0	$0

(1) Mr. Barnes's total compensation from the Guggenheim Funds Fund Complex (including the Funds) was $344,000 during the Funds' most recently completed fiscal year.

(2) Mr. Nyberg's total compensation from the Guggenheim Funds Fund Complex (including the Funds) was $434,000 during the Funds' most recently completed fiscal year.

Independent Auditors

PricewaterhouseCoopers LLP ("PWC") has been selected as the Funds' independent registered public accounting firm by the Audit Committee of each Fund and ratified by a majority of each Fund's Board, including a majority of the Independent Trustees, by vote cast in person, to audit the accounts of each Fund for the fiscal year ended October 31, 2017. The Funds do not know of any direct or indirect financial interest of PWC in the Funds.

Audit Fees

The aggregate fees billed to AVK by PWC for professional services rendered for the audit of AVK's annual financial statements for AVK's fiscal year ended October 31, 2016 were $95,500. The aggregate fees billed to AVK by PWC for professional services rendered for the audit of AVK's financial statements for AVK's fiscal year ended October 31, 2017 were $98,350.

The aggregate fees billed to AGC by PWC for professional services rendered for the audit of AGC's annual financial statements for AGC's fiscal year ended October 31, 2016 were $100,700. The aggregate fees billed to AGC by PWC for professional services rendered for the audit of AGC's financial statements for AGC's fiscal year ended October 31, 2017 were $103,700.

The aggregate fees billed to LCM by PWC for professional services rendered for the audit of LCM's annual financial statements for LCM's fiscal year ended October 31, 2016 were $93,300. The aggregate fees billed to LCM by PWC for professional services rendered for the audit of LCM's annual financial statements for LCM's fiscal year ended October 31, 2017 were $96,150.

Audit-Related Fees

The aggregate fees billed by PWC and approved by the Audit Committee of AVK for AVK's fiscal year ended October 31, 2016 for assurance and related services reasonably related to the performance of the audit of AVK's

financial statements were $0. The aggregate fees billed by PWC and approved by the Audit Committee of AVK for AVK's fiscal year ended October 31, 2017 for assurance and related services reasonably related to the performance of the audit of AVK's annual financial statements were $0.

The aggregate fees billed by PWC and approved by the Audit Committee of AGC for AGC's fiscal year ended October 31, 2016 for assurance and related services reasonably related to the performance of the audit of AGC's financial statements were $0. The aggregate fees billed by PWC and approved by the Audit Committee of AGC for AGC's fiscal year ended October 31, 2017 for assurance and related services reasonably related to the performance of the audit of AGC's annual financial statements were $0.

The aggregate fees billed by PWC and approved by the Audit Committee of LCM for the Fund's fiscal year ended October 31, 2016 for assurance and related services reasonably related to the performance of the audit of LCM's financial statements were $0. The aggregate fees billed by PWC and approved by the Audit Committee of LCM for LCM's fiscal year ended October 31, 2017 for assurance and related services reasonably related to the performance of the audit of LCM's annual financial statements were $0.

PWC did not perform any other assurance and related services that were required to be approved by the Funds' Audit Committees for such period.

Tax Fees

The aggregate fees billed by PWC and approved by the Audit Committee of AVK for AVK's fiscal year ended October 31, 2016 for professional services rendered for tax compliance, tax advice, and tax planning were $16,500 (such fees relate to tax services provided by PWC in connection with AVK's excise tax calculations and review of AVK's tax returns). The aggregate fees billed by PWC and approved by the Audit Committee of AVK for AVK's fiscal year ended October 31, 2017 for professional services rendered for tax compliance, tax advice, and tax planning were $17,000 (such fees relate to tax services provided by PWC in connection with AVK's excise tax calculations and review of AVK's tax returns).

The aggregate fees billed by PWC and approved by the Audit Committee of AGC for AGC's fiscal year ended October 31, 2016 for professional services rendered for tax compliance, tax advice, and tax planning were $18,500 (such fees relate to tax services provided by PWC in connection with AGC's excise tax calculations and review of AGC's tax returns). The aggregate fees billed by PWC and approved by the Audit Committee of AGC for AGC's fiscal year ended October 31, 2017 for professional services rendered for tax compliance, tax advice, and tax planning were $19,000 (such fees relate to tax services provided by PWC in connection with AGC's excise tax calculations and review of AGC's tax returns).

The aggregate fees billed by PWC and approved by the Audit Committee of LCM for LCM's fiscal year ended October 31, 2016 for professional services rendered for tax compliance, tax advice, and tax planning were $16,500 (such fees relate to tax services provided by PWC in connection with LCM's excise tax calculations and review of LCM's tax returns). The aggregate fees billed by PWC and approved by the Audit Committee of LCM for LCM's fiscal year ended October 31, 2017 for professional services rendered for tax compliance, tax advice, and tax planning were $17,000 (such fees relate to tax services provided by PWC in connection with LCM's excise tax calculations and review of LCM's tax returns).

PWC did not perform any other tax compliance or tax planning services or render any tax advice that were required to be approved by the Funds' Audit Committee for such period.

All Other Fees

For AVK, the aggregate fees billed for products and services provided by PWC, other than the services reported above in Audit Fees, Audit-Related Fees, and Tax Fees were $0 for AVK's fiscal year ended October 31, 2016 and $0 for AVK's fiscal year ended October 31, 2017.

For AGC, the aggregate fees billed for products and services provided by PWC, other than the services reported above in Audit Fees, Audit-Related Fees, and Tax Fees were $0 for AGC's fiscal year ended October 31, 2016 and $0 for AGC's fiscal year ended October 31, 2017.

For LCM, the aggregate fees billed for products and services provided by PWC, other than the services reported above in Audit Fees, Audit-Related Fees, and Tax Fees were $0 for LCM's fiscal year ended October 31, 2016 and $0 for LCM's fiscal year ended October 31, 2017.

Aggregate Non-Audit Fees

The aggregate non-audit fees billed by PWC for AVK's fiscal year ended October 31, 2016 for services rendered to AVK were $16,500. The aggregate non-audit fees billed by PWC for AVK's fiscal year ended October 31, 2017 for services rendered to AVK were $17,000.

The aggregate non-audit fees billed by PWC for AGC's fiscal year ended October 31, 2016 for services rendered to AGC were $18,500. The aggregate non-audit fees billed by PWC for AGC's fiscal year ended October 31, 2017 for services rendered to AGC were $19,000.

The aggregate non-audit fees billed by PWC for LCM's fiscal year ended October 31, 2016 for services rendered to LCM were $16,500. The aggregate non-audit fees billed by PWC for LCM's fiscal year ended October 31, 2017 for services rendered to LCM were $17,000.

The aggregate non-audit fees billed by PWC for the Funds' fiscal year ended October 31, 2016 for services rendered to Advent, or any entity controlling, controlled by, or under common control with Advent that provides ongoing services to the Funds were $114,000. The aggregate non-audit fees billed by PWC for the Funds' fiscal year ended October 31, 2017 for services rendered to Advent, or any entity controlling, controlled by, or under common control with Advent that provides ongoing services to the Funds were $0.

The aggregate non audit fees billed by PWC for the Funds' fiscal year ended October 31, 2016 for services rendered to Guggenheim Funds, or any entity controlling, controlled by or under common control with Guggenheim Funds that provides ongoing services to AGC and LCM were $0. The aggregate non-audit fees billed by PWC for the Funds' fiscal year ended October 31, 2017 for services rendered to Guggenheim Funds, or any entity controlling, controlled by, or under common control with Guggenheim Funds that provides ongoing services to AGC and LCM were $0.

Audit Committee's Pre-Approval Policies and Procedures

The Audit Committee of each Fund adopted Pre-Approved Policies and Procedures as part of the Joint Audit Committee Charter. The Audit Committees of the Funds have pre-approved all audit and non-audit services provided by PWC to the Funds, and all non-audit services provided by PWC to Advent and Guggenheim Funds, or any entity controlling, controlled by, or under common control with Advent or Guggenheim Funds, as applicable, that provides ongoing services to the Funds which are related to the operations of the Funds. The Audit Committee has considered whether the provision of non-audit services that were rendered by PWC for the Funds' fiscal years ended October 31, 2016 and October 31, 2017 to Advent or Guggenheim Funds or any entity controlling, controlled by, or under common control with Advent or Guggenheim Funds that were not pre-approved pursuant to 17 CFR 210.2-01(c)(7)(ii) is compatible with maintaining PWC's independence. Pursuant to such consideration, the Audit Committee has made a determination that such non-audit services are compatible with maintaining PWC's independence.

Advent and affiliates of Advent performing services for one or all of the Funds paid no fees to PWC in each Fund's most recent fiscal year for services other than those described above or for any other services, including for information systems design and implementation.

Required Vote

The affirmative vote of a majority of the common shares present in person or represented by proxy and entitled to vote on the matter at the Meeting at which a quorum is present is necessary to elect a Trustee nominee with respect to the applicable Fund. The holders of Shares will have equal voting rights (i.e., one vote per common share). Abstentions will have the same effect as votes against the proposal. "Broker non-votes" (i.e., common shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owner or the persons entitled to vote and (ii) the broker does not have discretionary voting power on a particular matter) will have no effect on the outcome of the vote on the proposal.

Board Recommendation

The Board, including the Independent Trustees, unanimously recommends that shareholders of each Fund vote “FOR” each nominee of the Board.

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VOTING INFORMATION

Record Date

The Funds have fixed the close of business on April 17, 2018 as the record date (the "Record Date") for the determination of shareholders entitled to notice of, and to vote at, the Meeting or any adjournment thereof. Shareholders on the Record Date will be entitled to one vote for each share held, with no shares having cumulative voting rights.

As of the Record Date, the Funds had the following number of common shares outstanding:

AGC	LCM	AVK

Quorum

The holders of a majority of the common shares entitled to vote on any matter at a meeting present in person or by proxy shall constitute a quorum at such meeting of the shareholders for purposes of conducting business on such matter. The inspectors of election, who may be employees of Advent or Guggenheim, will determine whether or not a quorum is present at the Meeting. The inspectors of election will generally treat abstentions and "broker non-votes" (i.e., shares held by brokers or nominees, typically in "street name," as to which proxies have been returned but (a) instructions have not been received from the beneficial owners or persons entitled to vote and (b) the broker or nominee does not have discretionary voting power or elects not to exercise discretion on a particular matter) as present for purposes of determining a quorum.

Voting Requirements

Proposal 1(A): The shareholders of AGC are being asked to approve the AGC Merger Agreement, including the termination of AGC's registration under the 1940 Act. Shareholder approval for Proposal 1(A) requires the affirmative vote by a 1940 Act Majority of AGC's shareholders.

Proposal 1(B): The shareholders of LCM are being asked to approve the LCM Merger Agreement, including the termination of LCM's registration under the 1940 Act. Shareholder approval for Proposal 1(B) requires the affirmative vote by a 1940 Act Majority of LCM's shareholders.

Proposal 1(C): The shareholders of AVK are being asked to approve the AGC Merger Agreement, including the issuance of additional common shares of AVK in connection therewith. Shareholder approval for Proposal 1(C) requires the affirmative vote by a 1940 Act Majority of AVK's shareholders.

Proposal 1(D): The shareholders of AVK are being asked to approve the LCM Merger Agreement, including the issuance of additional common shares of AVK in connection therewith. Shareholder approval for Proposal 1(D) requires the affirmative vote by a 1940 Act Majority of AVK's shareholders.

AVK's common shares are listed on the NYSE and the new shares to be issued in connection with the Mergers will be listed on the NYSE. Approval of each Merger Agreement by shareholders of AVK will constitute approval of the common shares to be issued pursuant to such Merger Agreement in accordance with Section 312 of the NYSE Listed Company Manual, which requires a listed company to obtain shareholder approval prior to the issuance of common shares if any transaction or series of transactions would result in an increase by 20% or more in the amount of shares outstanding.

The affirmative vote of a majority of the common shares present in person or represented by proxy and entitled to vote on the matter at the Meeting at which a quorum is present is necessary to elect a Trustee nominee with respect to the applicable Fund.

Abstentions will have the same effect as votes against each proposal. "Broker non-votes" (i.e., common shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owner or the persons entitled to vote and (ii) the broker does not have discretionary voting power on a particular matter) will have the same effect as votes against each proposal to approve the Mergers and no effect on the outcome of the vote on the proposal to elect Trustees.

Proxies

Whether or not you plan to attend the Meeting, we urge you to complete, sign, date, and return the enclosed proxy card in the postage-paid envelope provided or vote via telephone or the Internet so your common shares will be represented at the Meeting. Instructions regarding how to vote via telephone or the Internet are included on the enclosed proxy card. The required control number for Internet and telephone voting is printed on the enclosed proxy card. The control number is used to match proxy cards with shareholders' respective accounts and to ensure that, if multiple proxy cards are executed, common shares are voted in accordance with the proxy card bearing the latest date.

All common shares represented by properly executed proxies received prior to the Meeting will be voted at the Meeting in accordance with the instructions marked thereon or otherwise as provided therein. If you sign the proxy card, but don't fill in a vote, your common shares will be voted in accordance with the Board's recommendation. If any other business is brought before the Meeting, your common shares will be voted at the proxies' discretion.

Shareholders who execute proxy cards or record voting instructions via telephone or the Internet may revoke them at any time before they are voted by filing with the Secretary of the Funds a written notice of revocation, by delivering (including via telephone or the Internet) a duly executed proxy bearing a later date or by attending the Meeting and voting in person. Merely attending the Meeting, however, will not revoke any previously submitted proxy.

If you wish to attend the Meeting and vote in person, you will be able to do so. If you intend to attend the Meeting in person and you are a record holder of a Fund's common shares, in order to gain admission you must show photographic identification, such as your driver's license. If you intend to attend the Meeting in person and you hold your common shares through a bank, broker or other custodian, in order to gain admission you must show photographic identification, such as your driver's license, and satisfactory proof of ownership of common shares of a Fund, such as your voting instruction form (or a copy thereof) or broker's statement indicating ownership as of a recent date. If you hold your common shares in a brokerage account or through a bank or other nominee, you will not be able to vote in person at the annual meeting unless you have previously requested and obtained a "legal proxy" from your broker, bank or other nominee and present it at the Meeting. You may contact the Funds proxy solicitor at 1-888-542-7446 to obtain directions to the site of the Meeting.

Broker-dealer firms holding common shares of a Fund in "street name" for the benefit of their customers and clients will request the instructions of such customers and clients on how to vote their shares on the Proposal before the Meeting. The Funds understand that, under the rules of the NYSE, the Proposals are not "routine" matters and shareholder instructions are required for broker-dealers to vote a beneficial owner's shares. Broker-dealers who are not members of the NYSE may be subject to other rules, which may or may not permit them to vote your Shares without instruction. We urge you to provide instructions to your bank, broker or other nominee so that your votes may be counted.

Votes cast by proxy or in person at the Meeting will be tabulated by the inspector(s) of election appointed for the Meeting.

OTHER MATTERS

Shareholder Proposals

To be considered for presentation at a shareholder's meeting, rules promulgated by the SEC generally require that, among other things, a shareholder's proposal must be received at the offices of the relevant Fund a reasonable time before solicitation is made. In addition, each Fund's bylaws provide for advance notice provisions, which require shareholders to give timely notice in proper written form to the Secretary of the Fund. Shareholders should review each Fund's bylaws for additional information regarding the Funds' advance notice provisions. The bylaws of AGC, LCM and AVK were filed with the SEC on March 13, 2018 as part of such Funds' Form 8-Ks, and shareholders may obtain copies of such documents as described on page ii of this Joint Proxy Statement/Prospectus.

The timely submission of a proposal does not necessarily mean that such proposal will be included. Any shareholder who wishes to submit a proposal for consideration at a meeting of such shareholder's Fund should send such proposal to the relevant Fund at 888 Seventh Avenue, 31st Floor, New York, New York 10019, Attention: Ed C. Delk.

The Funds 2019 annual meeting of shareholders is expected to occur on or about September 25, 2019. Because the expected meeting date will be more than 30 days prior to the anniversary of the date of the 2018 annual meeting of shareholders, the Funds have established the following deadlines for shareholder proposals:

Shareholder proposals intended for inclusion in a Fund's proxy statement in connection with the 2019 annual meeting of shareholders pursuant to Rule 14a-8 under the Exchange Act must be received by the Fund at the Fund's principal executive offices by April 25, 2019 in order to be considered for inclusion in the Fund's proxy statement. Timely submission of a proposal does not necessarily mean that such proposal will be included in the Fund's proxy statement.

A proposal, other than a proposal submitted pursuant to Rule 14a-8, must be received by the Fund's Secretary at the Fund's principal executive offices not earlier than May 28, 2019 and not later than June 27, 2019 (which is also the date after which shareholder nominations and proposals made outside of Rule 14a-8 under the Exchange Act would not be considered "timely" within the meaning of Rule 14a-4(c) under the Exchange Act). If a proposal is not "timely" within the meaning of Rule 14a-4(c), then the persons named as proxies in the proxies solicited by the Board for the 2019 annual meeting of shareholders may exercise discretionary voting power with respect to any such proposal.

Solicitation of Proxies

Solicitation of proxies is being made primarily by the mailing of this Notice and Joint Proxy Statement/Prospectus with its enclosures on or about [ ], 2018. Shareholders of the Funds whose shares are held by nominees such as brokers can vote their proxies by contacting their respective nominee. In addition to the solicitation of proxies by mail, employees of the Management Entities and their affiliates as well as dealers or their representatives may solicit proxies in person or by mail, telephone, fax or the internet. The Funds have retained AST Fund Solutions ("AST"), 48 Wall Street, 22nd Floor, New York, New York 10005, a proxy solicitation firm, to assist with the solicitation of proxies. The cost of AST's services in connection with the proxy is anticipated to be approximately $95,000, which will be borne by the Funds in accordance with the allocation of Merger expenses described herein.

Additional Information About the Solicitation

On July 22, 2016, the Funds entered into an agreement, as amended on May 12, 2017 (the "Western Agreement"), with Arthur D. Lipson, Robert Ferguson, Western Investment LLC, Western Investment Hedged Partners L.P., Western Investment Total Return Partners L.P., Benchmark Plus Institutional Partners L.L.C. and Benchmark Plus Management, L.L.C., and all of their respective directors, officers and affiliates (collectively "Western Investment"), pursuant to which, among other things, Western Investment agreed to withdraw the trustee nomination notice and notice of intention to submit a shareholder proposal pursuant to Rule 14a-8 under the under the Exchange Act that Western Investment had submitted to the Funds with respect to the Funds' 2016 annual meeting of shareholders. Pursuant to the Western Agreement, LCM agreed to commence a tender offer as soon as commercially practicable, but no later than June 16, 2017, to purchase for cash up to 32.5% of LCM's outstanding common shares, at a price equal to 98% of LCM's NAV per share determined as of the close of the regular trading session of the NYSE on the business day immediately following the day the offer expires. Western Investment agreed to tender all common shares of LCM owned by it in the tender offer. Pursuant to the Western Agreement, Western Investment agreed, through July 22, 2021, to vote all of each Fund's securities held by Western Investment in accordance with the recommendation of the Board of the applicable Fund and against any proposal made in opposition to, or in competition or inconsistent with, the recommendation of the Board of the applicable Fund. In addition, Western Investment agreed that, through July 22, 2021, with respect to the Funds, Western Investment will not: effect, seek, offer, engage in, propose, cause, participate in or assist in any solicitation of proxies, any acquisition of common shares that would cause Western Investment to beneficially own 4.99% or more of the outstanding common shares of a Fund, or any tender or exchange offer for securities of any Fund (other than the tender offer); form, join or participate in a "group" with respect to any Fund; deposit any securities of any Fund in a voting trust or enter in to any voting arrangement with respect to securities of any Fund; seek or encourage any person to submit nominations in furtherance of a "contested solicitation;" make any proposal for consideration by shareholders; seek representation on the Board of any Fund; or seek to control or influence the management, Board or policies of any Fund. Western Investment and the Funds also agreed to certain mutual non-disparagement provisions.

Also on July 22, 2016, Advent entered into a standstill agreement, as amended on May 12, 2017 (the "Bulldog Standstill Agreement"), with Bulldog Investors, LLC ("Bulldog Investors"). Pursuant to the Bulldog Standstill Agreement, Advent agreed to recommend to LCM that LCM conduct a tender offer upon substantially the terms described above. Pursuant to the Bulldog Standstill Agreement, Bulldog Investors agreed to tender all common shares of LCM owned by it in the tender offer. Bulldog Investors also agreed to be bound by certain "standstill" covenants with respect to the Funds through July 22, 2021.

On April 28, 2017, LCM entered into a standstill agreement, as amended on May 12, 2017 (the "LCM Saba Standstill Agreement"), with Saba Capital Management, L.P ("Saba"). Pursuant to the LCM Saba Standstill Agreement, LCM agreed to conduct a tender offer upon substantially the terms described above. Pursuant to the Saba Standstill Agreement, Saba agreed to tender all common shares of LCM owned by it in the tender offer. In addition, Saba agreed that, (i) through April 25, 2019, it will vote its common shares on all proposals submitted to shareholders in accordance with the recommendation of management of LCM's and (ii) through the date one day after the completion of LCM's annual meeting of shareholders held during the fiscal year ending October 31, 2019, including any adjournments or postponements thereof, Saba will not: effect, seek, offer, engage in, propose, cause, participate in or assist in any solicitation of proxies, knowingly encourage or advise any other person or assist or act to assist any person in so encouraging or advising any person with respect to the giving or withholding of any proxy, consent or other authority to vote, any tender or exchange offer for securities of LCM (other than the tender offer), or engage in any short sale that includes, relates to or derives any part of its value from a decline in the market price or value of the securities of LCM; form, join or participate in a "group" with respect to LCM; deposit any securities of LCM in a voting trust or enter in to any voting arrangement with respect to securities of LCM; seek or encourage any person to submit nominations in furtherance of a "contested solicitation;" seek or encourage, alone or in concert with others, the removal or resignation of any member of LCM's Board; make a request for a shareholder list or other LCM books and records; take any action with respect to any proposal for consideration by shareholders; seek representation on the Board of LCM; seek to control or influence the management, Board or policies of LCM; institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving LCM; or make any public statements or proposal with respect to any material change in LCM's management, business or corporate structure, or any change to the Agreement and Declaration of Fund or Bylaws of LCM. Saba and LCM also agreed to certain mutual non-disparagement provisions.

On June 12, 2017, LCM commenced a tender offer to purchase for cash up to 4,420,984 (approximately 32.5%) of LCM's outstanding common shares at a price equal to 98% of LCM's NAV per share determined as of the close of the regular trading session of the NYSE on the business day immediately following the day the offer expires. The tender offer expired on July 11, 2017. A total of 7,334,932 common shares of LCM were duly tendered and not withdrawn. Since the number of common shares tendered exceeded 4,420,984 common shares (approximately 32.5% of the outstanding common shares of LCM) the tender offer was oversubscribed. Therefore, in accordance with the terms and conditions specified in the tender offer, LCM repurchased common shares from all tendering shareholders on a pro-rata basis, disregarding fractions. LCM transmitted payment to purchase the duly tendered and accepted common shares on July 17, 2017.

On April 28, 2017, AVK entered into a standstill agreement (the "AVK Saba Standstill Agreement") with Saba. Pursuant to the AVK Saba Standstill Agreement, AVK agreed to conduct a tender offer to purchase for cash up to 15% outstanding common shares at a price equal to 98% of AVK's NAV per share determined as of the close of the regular trading session of the NYSE on the business day immediately following the day the offer expires. Pursuant to the AVK Saba Standstill Agreement, Saba has agreed to tender all common shares of AVK owned by it in the tender offer. Additionally, pursuant to the AVK Saba Standstill Agreement, AVK has agreed to declare and pay monthly distributions for 24 months following the date of the AVK Saba Standstill Agreement, representing an annualized distribution rate of not less than the Minimum Distribution Amount, effective beginning with the AVK's May 2017 distribution. In addition, Saba agreed that, (i) through April 25, 2019, it will vote its common shares on all proposals submitted to shareholders in accordance with the recommendation of management of AVK and (ii)

through the date one day after the completion of AVK's annual meeting of shareholders held during the fiscal year ending October 31, 2019, including any adjournments or postponements thereof, Saba will not: effect, seek, offer, engage in, propose, cause, participate in or assist in any solicitation of proxies, knowingly encourage or advise any other person or assist or act to assist any person in so encouraging or advising any person with respect to the giving or withholding of any proxy, consent or other authority to vote, any tender or exchange offer for securities of AVK (other than the tender offer), or engage in any short sale that includes, relates to or derives any part of its value from a decline in the market price or value of the securities of AVK; form, join or participate in a "group" with respect to AVK; deposit any securities of AVK in a voting trust or enter in to any voting arrangement with respect to securities of AVK; seek or encourage any person to submit nominations in furtherance of a "contested solicitation;" seek or encourage, alone or in concert with others, the removal or resignation of any member of AVK's Board; make a request for a shareholder list or other AVK books and records; take any action with respect to any proposal for consideration by shareholders; seek representation on the Board of AVK; seek to control or influence the management, Board or policies of AVK; institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving AVK; or make any public statements or proposal with respect to any material change in AVK's management, business or corporate structure, or any change to the Agreement and Declaration of Fund or Bylaws of AVK. Saba and AVK also agreed to certain mutual non-disparagement provisions.

On August 9, 2017, AVK commenced a tender offer to purchase for cash up to 3,537,132 (approximately 15%) of AVK's outstanding common shares at a price equal to 98% of AVK's NAV per share determined as of the close of the regular trading session of the NYSE on the business day immediately following the day the offer expires. The tender offer expired on September 7, 2017. A total of 8,775,224 common shares of AVK were duly tendered and not withdrawn. Since the number of common shares tendered exceeded 3,537,132 common shares (approximately 15% of the outstanding common shares of AVK) the tender offer was oversubscribed. Therefore, in accordance with the terms and conditions specified in the tender offer, AVK repurchased common shares from all tendering shareholders on a pro-rata basis, disregarding fractions. AVK transmitted payment to purchase the duly tendered and accepted common shares on September 13, 2017.

On April 28, 2017, AGC entered into a standstill agreement (the "AGC Saba Standstill Agreement") with Saba. Pursuant to the AGC Saba Standstill Agreement, AGC agreed to conduct a tender offer to purchase for cash up to 15% outstanding common shares at a price equal to 98% of AGC's NAV per share determined as of the close of the regular trading session of the NYSE on the business day immediately following the day the offer expires. Pursuant to the AGC Saba Standstill Agreement, Saba has agreed to tender all common shares of AGC owned by it in the tender offer. In addition, Saba agreed that, (i) through April 25, 2019, it will vote its common shares on all proposals submitted to shareholders in accordance with the recommendation of management of AGC and (ii) through the date one day after the completion of AGC's annual meeting of shareholders held during the fiscal year ending October 31, 2019, including any adjournments or postponements thereof, Saba will not: effect, seek, offer, engage in, propose, cause, participate in or assist in any solicitation of proxies, knowingly encourage or advise any other person or assist or act to assist any person in so encouraging or advising any person with respect to the giving or withholding of any proxy, consent or other authority to vote, any tender or exchange offer for securities of AGC (other than the tender offer), or engage in any short sale that includes, relates to or derives any part of its value from a decline in the market price or value of the securities of AGC; form, join or participate in a "group" with respect to AGC; deposit any securities of AGC in a voting trust or enter in to any voting arrangement with respect to securities of AGC; seek or encourage any person to submit nominations in furtherance of a "contested solicitation;" seek or encourage, alone or in concert with others, the removal or resignation of any member of AGC's Board; make a request for a shareholder list or other AGC books and records; take any action with respect to any proposal for consideration by shareholders; seek representation on the Board of AGC; seek to control or influence the management, Board or policies of AGC; institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving AGC; or make any public statements or proposal with respect to any material change in AGC's management, business or corporate structure, or any change to the Agreement and Declaration of Fund or Bylaws of AGC. Saba and AGC also agreed to certain mutual non-disparagement provisions.

On August 9, 2017, AGC commenced a tender offer to purchase for cash up to 4,829,532 (approximately 15%) of AGC's outstanding common shares at a price equal to 98% of AGC's NAV per share determined as of the close of the regular trading session of the NYSE on the business day immediately following the day the offer expires. The tender offer expired on September 7, 2017. A total of 14,817,666 common shares of AGC were duly tendered and not withdrawn. Since the number of common shares tendered exceeded 4,829,532 common shares (approximately

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15% of the outstanding common shares of AGC) the tender offer was oversubscribed. Therefore, in accordance with the terms and conditions specified in the tender offer, AGC repurchased common shares from all tendering shareholders on a pro-rata basis, disregarding fractions. AGC transmitted payment to purchase the duly tendered and accepted common shares on September 13, 2017.

Other Matters with Respect to the Meeting

A representative of the Independent Registered Public Accounting Firm may attend the Meeting and will have the opportunity to make a statement if he or she desires to do so and will be available to answer appropriate questions.

A list of shareholders entitled to attend and to vote at the meeting will be available in the offices of the Funds, 888 Seventh Avenue, 31st Floor, New York, New York 10019, for inspection by any shareholder during regular business hours beginning ten days prior to the date of the meeting.

Shareholders and other interested parties may contact the Board or any Trustee by mail. To communicate with the Board or any Trustee, correspondence should be addressed to the Board or the Board members with whom you wish to communicate by either name or title. All such correspondence should be sent c/o the Secretary of the Fund or Funds at 888 Seventh Avenue, 31st Floor, New York, New York 10019.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, and Section 30(h) of the 1940 Act require each Fund’s officers and Trustees, certain officers of each Fund’s investment adviser, affiliated persons of the investment adviser, and persons who beneficially own more than ten percent of a Fund’s shares to file certain reports of ownership (“Section 16 filings”) with the SEC and the NYSE. Based upon each Fund’s review of the copies of such forms effecting the Section 16 filings received by it, each Fund believes that for its most recently completed fiscal year, all filings applicable to such persons were completed and filed in a timely manner.

Privacy Principles of the Funds

The Funds are committed to maintaining the privacy of their current and former shareholders and to safeguarding their nonpublic personal information. The following information is provided to help you understand what personal information the Funds collect, how the Funds protect that information and why, in certain cases, the Funds may share such information with select parties.

Generally, the Funds do not receive any non-public personal information relating to its shareholders, although certain non-public personal information of its shareholders may become available to the Funds. The Funds do not disclose any non-public personal information about its shareholders or former shareholders to anyone, except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

The Funds restrict access to non-public personal information about its shareholders to employees of the Management Entities and their delegates and affiliates with a legitimate business need for the information. The Fund maintains physical, electronic and procedural safeguards designed to protect the non-public personal information of its shareholders.

Other Information

The management of the Funds knows of no other matters which are to be brought before the Meeting. However, if any other matters not now known properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxy in accordance with their judgment on such matters.

Failure of a quorum to be present at the Meeting may result in an adjournment. The chairman of the Meeting may adjourn the Meeting to permit further solicitation of proxies with respect to a Proposal if a quorum is not present or if a quorum is present but sufficient votes have not been received to approve the Proposal. Any adjourned meeting or meetings may be held without the necessity of another notice.

The Funds will update certain data regarding the Funds, including performance data, on a monthly basis on its website at www.guggenheiminvestments.com/products/cef. Shareholders are advised to periodically check the website for updated performance information and the release of other material information about the Funds.

Please vote promptly by signing and dating each enclosed proxy card and returning it in the accompanying postage-paid return envelope or by following the enclosed instructions to vote by telephone or over the Internet.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on July 20, 2018

This Proxy Statement is available on the Internet at www.proxyonline.com/docs/advent2018.pdf

APPENDIX A
FINANCIAL HIGHLIGHTS
Advent Claymore Convertible Securities and Income Fund II (AGC)

The financial highlights table is intended to help you understand the Fund's financial performance. Except where noted, the information in this table for the fiscal years ended 2017, 2016, 2015, 2014 and 2013 is derived from the Fund's financial statements audited by PricewaterhouseCoopers LLP, independent registered public accounting firm for the Fund, whose report on such financial statements, together with the financial statements of the Fund, are included in the Fund's annual report to shareholders for the fiscal year ended October 31, 2017, and are incorporated by reference into the SAI. The financial highlights for the fiscal years ended 2012, 2011, 2010, 2009 and 2008 is derived from the Fund's financial statements audited by PricewaterhouseCoopers LLP.

FINANCIAL HIGHLIGHTS

	Year Ended October 31, 2017	Year Ended October 31, 2016	Year Ended October 31, 2015	Year Ended October 31, 2014	Year Ended October 31, 2013
Per Share Data:					
Net asset value, beginning of period	$6.42	$7.05	$7.63	$8.18	$7.18
Income from investment operations:					
Net investment income(a)	0.22	0.25	0.20	0.24	0.27
Net gain (loss) on investments (realized and unrealized)	0.63	(0.32)	(0.22)	(0.23)	1.25
Distributions to preferred shareholders from net investment income (common share equivalent basis)	—	—	—	—	(0.01)
Total from investment operations	0.85	(0.07)	(0.02)	0.01	1.51
Less distributions from:					
Net investment income	(0.23)	(0.22)	(0.36)	(0.56)	(0.56)
Return of capital	(0.33)	(0.34)	(0.20)	—	—
Total distributions to shareholders	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)
Increase resulting from tender and repurchase of Auction Market Preferred Shares	—	—	—	—	0.05
Increase resulting from tender offer and repurchase of Common Shares	0.02	—	—	—	—
Net asset value, end of period	$6.73	$6.42	$7.05	$7.63	$8.18
Market value, end of period	$6.19	$5.57	$5.78	$6.66	$7.15
Total Return(b)					
Net asset value	14.03%	(0.65%)	(0.30%)	(0.08%)	22.50%(c)
Market value	21.79%	6.68%	(5.10%)	0.60%	16.35%
Ratios/Supplemental Data:					
Net assets, end of period (in thousands)	$184,077	$206,797	$227,431	$246,130	$263,568
Preferred shares, at redemption value ($25,000 per share liquidation preference) (thousands)	—	—	—	—	—
Preferred shares asset coverage per share(g)	—	—	—	—	—
Ratio to average net assets of:					
Net investment income, prior to the effect of dividends to preferred shares, including interest expense	3.25%	3.80%	2.70%	2.98%	3.48%
Net investment income, after to the effect of dividends to preferred shares, including interest	3.25%	3.80%	2.70%	2.98%	3.37%

expense										
Total expenses(f)	3.49	%	3.78	%	3.21	%	3.06	%(e)	3.09	%(e)
Portfolio turnover rate	110	%	95	%	135	%	249	%	239	%
Senior Indebtedness										
Total Borrowings outstanding (in thousands)	$125,000		$150,000		$170,000		$170,000		$170,000	
Asset Coverage per $1,000 of indebtedness(d)	$2,473		$2,379		$2,338		$2,448		$2,550	

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FINANCIAL HIGHLIGHTS (continued)

	Year Ended October 31, 2012	Year Ended October 31, 2011	Year Ended October 31, 2010	Year Ended October 31, 2009	Year Ended October 31, 2008
Per Share Data:					
Net asset value, beginning of period	$7.40	$9.25	$8.37	$6.81	$19.37
Income from investment operations:					
Net investment income(a)	0.40	0.44	0.55	0.58	1.10
Net gain (loss) on investments (realized and unrealized)	0.08	(1.41)	1.21	1.90	(11.72)
Distributions to preferred shareholders from net investment income					
(common share equivalent basis)	(0.08)	(0.08)	(0.08)	(0.09)	(0.24)
Total from investment operations	0.40	(1.05)	1.68	2.39	(10.86)
Less distributions from:					
Net investment income	(0.36)	(0.35)	(0.80)	(0.54)	(1.27)
Return of capital	(0.26)	(0.45)	—	(0.29)	(0.43)
Total distributions to shareholders	(0.62)	(0.80)	(0.80)	(0.83)	(1.70)
Net asset value, end of period	$7.18	$7.40	$9.25	$8.37	$6.81
Market value, end of period	$6.66	$6.87	$9.36	$7.33	$5.99
Total Return(b)					
Net asset value	5.80%	(12.43%)	20.87%	38.26%	(60.31%)
Market value	6.42%	(19.43%)	39.98%	39.85%	(58.94%)
Ratios/Supplemental Data:					
Net assets, end of period (in thousands)	$231,512	$238,685	$297,056	$266,589	$216,892
Preferred shares, at redemption value ($25,000 per share liquidation preference) (thousands)	$170,000	$170,000	$170,000	$170,000	$170,000
Preferred shares asset coverage per share(g)	$59,046	$60,101	$68,685	$64,204	$56,955
Ratio to average net assets of:					
Net investment income, prior to the effect of dividends to preferred shares, including interest expense	5.54%	4.92%	6.19%	8.29%	7.47%
Net investment income, after to the effect of dividends to preferred shares, including interest expense	4.46%	4.04%	5.27%	7.02%	5.86%
Total expenses(f)	2.35%	1.99%	1.99%	2.34%	1.68%
Portfolio turnover rate	219%	125%	125%	166%	118%

(a) Based on average shares outstanding.

(b) Total return is calculated assuming a purchase of a common share at the beginning of the period and a sale on the last day of the period reported either at net asset value (“NAV”) or market price per share. Dividends and distributions are assumed to be reinvested at NAV for NAV returns or the prices obtained under the Fund’s Dividend Reinvestment Plan for market value returns. Total return does not reflect brokerage commissions.

(c) Included in the total return at net asset value is the impact of the tender and repurchase of its Auction Market Preferred Shares ("AMPS") at 99% of the AMPS' per share liquidation preference. Had this transaction not occurred, the total return at net asset value would have been lower by 0.74%.

(d) Calculated by subtracting the Fund's total liabilities (not including borrowings) from the Fund's total assets and dividing by the total borrowings.

(e) The expense ratio does not reflect fees and expenses incurred by the Fund as a result of its investment in shares of business development companies. If these fees were included in the expense ratio, the increase to the expense ratio would be approximately 0.08%, 0.02% and 0.09% for the years ended October 31, 2014, 2013 and 2012, respectively.

(f) Excluding interest expense, the operating expense ratio for the years ended October 31 would be:

2017	2016	2015	2014	2013
2.09%	2.17%	2.04%	1.96%	2.07%

2012	2011	2010	2009	2008
N/A	N/A	N/A	N/A	N/A

(g) Calculated by subtracting the Fund's total liabilities from the Fund's total net assets and dividing by the total number of preferred shares outstanding.

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Advent/Claymore Enhanced Growth & Income Fund (LCM)

The financial highlights table is intended to help you understand the Fund's financial performance. Except where noted, the information in this table for the fiscal years ended 2017, 2016, 2015, 2014 and 2013 is derived from the Fund's financial statements audited by PricewaterhouseCoopers LLP, independent registered public accounting firm for the Fund, whose report on such financial statements, together with the financial statements of the Fund, are included in the Fund's annual report to shareholders for the fiscal year ended October 31, 2017, and are incorporated by reference into the SAI. The financial highlights for the fiscal years ended 2012, 2011, 2010, 2009 and 2008 is derived from the Fund's financial statements audited by PricewaterhouseCoopers LLP.

FINANCIAL HIGHLIGHTS

	Year Ended October 31, 2017	Year Ended October 31, 2016	Year Ended October 31, 2015	Year Ended October 31, 2014	Year Ended October 31, 2013
Per Share Data:					
Net asset value, beginning of period	$9.16	$10.06	$10.87	$11.50	$10.60
Income from investment operations:					
Net investment income(a)	0.17	0.26	0.21	0.21	0.23
Net gain (loss) on investments (realized and unrealized)	0.89	(0.32)	(0.18)	—*	1.51
Total from investment operations	1.06	(0.06)	0.03	0.21	1.74
Less distributions from:					
Net investment income	(0.19)	(0.23)	(0.41)	(0.84)	(0.84)
Return of capital	(0.65)	(0.61)	(0.43)	—*	—
Total distributions to shareholders	(0.84)	(0.84)	(0.84)	(0.84)	(0.84)
Increase resulting from tender offer and repurchase of common shares	0.07	—	—	—	—
Net asset value, end of period	$9.45	$9.16	$10.06	$10.87	$11.50
Market value, end of period	$8.65	$8.16	$8.85	$9.51	$10.03
Total Return(b)					
Net asset value	12.87%	(0.37%)	0.13%	1.58%	17.10%
Market value	16.91%	1.95%	1.97%	2.90%	15.56%
Ratios/Supplemental Data:					
Net assets, end of period (in thousands)	$86,760	$124,669	$136,783	$147,821	$156,387
Ratio to average net assets of:					
Net investment income	1.84%	2.85%	1.95%	1.86%	2.05%
Total expenses(c)	2.87%	2.62%	2.17%	2.10%(d)	2.18%(d)
Portfolio turnover rate	100%	93%	138%	344%	321%
Senior Indebtedness					
Total Borrowings outstanding (in thousands)	$35,000	$50,000	$50,000	$50,000	$50,000
Asset Coverage per $1,000 of indebtedness(e)	$3,479	$3,493	$3,736	$3,956	$4,128

FINANCIAL HIGHLIGHTS

	Year Ended October 31, 2012	Year Ended October 31, 2011	Year Ended October 31, 2010	Year Ended October 31, 2009	Year Ended October 31, 2008
Per Share Data:					
Net asset value, beginning of period	$ 10.63	$ 12.11	$ 11.72	$ 10.91	$ 20.09
Income from investment operations:					
Net investment income(a)	0.41	0.42	0.40	0.39	0.47
Net gain (loss) on investments (realized and unrealized)	0.45	(0.84)	1.05	1.56	(8.05)
Total from investment operations	0.86	(0.42)	1.45	1.95	(7.58)
Less distributions from:					
Net investment income	(0.86)	(0.47)	(1.06)	(0.67)	(0.90)
Return of capital&#1					