

ETF



# GUGGENHEIM BULLETSHARES® ETFs

The Precision of Bonds. The Advantages of ETFs.

## PRECISION BOND INVESTING

Guggenheim BulletShares® ETFs are a suite of fixed-term exchange-traded funds (ETFs) that provide defined-maturity exposure through portfolios of either investment-grade or high-yield corporate bonds, enabling investors to build customized portfolios tailored to specific maturity profiles, risk preferences and investment goals.

These one-of-a-kind products:

- Offer the potential for monthly distributions and a final distribution at maturity<sup>1</sup>
- Track indices comprised of approximately 70 to 190 corporate bonds with effective maturities in the same calendar year as each fund's maturity
- Provide a convenient approach to fixed-income investing that features the liquidity, transparency and broad security exposure of ETFs

### Guggenheim BulletShares Corporate Bond ETFs

Expense Ratio: 0.24% <sup>2</sup> Distribution Frequency: Monthly (if any)	NYSE Arca Ticker
Guggenheim BulletShares 2012 Corporate Bond ETF	BSCC
Guggenheim BulletShares 2013 Corporate Bond ETF	BSCD
Guggenheim BulletShares 2014 Corporate Bond ETF	BSC E
Guggenheim BulletShares 2015 Corporate Bond ETF	BSCF
Guggenheim BulletShares 2016 Corporate Bond ETF	BSCG
Guggenheim BulletShares 2017 Corporate Bond ETF	BSCH
Guggenheim BulletShares 2018 Corporate Bond ETF	BSCI
Guggenheim BulletShares 2019 Corporate Bond ETF	BSCJ
Guggenheim BulletShares 2020 Corporate Bond ETF	BSCK

BulletShares Corporate Bond ETFs—each with a designated year of maturity ranging from 2012 through 2020—seek investment results that correspond generally to the performance, before the funds' fees and expenses, of the corresponding BulletShares® USD Corporate Bond Index.

### Guggenheim BulletShares High Yield Corporate Bond ETFs

Expense Ratio: 0.42% <sup>2</sup> Distribution Frequency: Monthly (if any)	NYSE Arca Ticker
Guggenheim BulletShares 2012 High Yield Corporate Bond ETF	BSJC
Guggenheim BulletShares 2013 High Yield Corporate Bond ETF	BSJD
Guggenheim BulletShares 2014 High Yield Corporate Bond ETF	BSJE
Guggenheim BulletShares 2015 High Yield Corporate Bond ETF	BSJF
Guggenheim BulletShares 2016 High Yield Corporate Bond ETF	BSJG
Guggenheim BulletShares 2017 High Yield Corporate Bond ETF	BSJH
Guggenheim BulletShares 2018 High Yield Corporate Bond ETF	BSJI

BulletShares High Yield Corporate Bond ETFs—each with a designated year of maturity ranging from 2012 through 2018—seek investment results that correspond generally to the performance, before the funds' fees and expenses, of the corresponding BulletShares® USD High Yield Corporate Bond Index.

<sup>1</sup>The funds have designated years of maturity ranging from 2012 to 2020 and will terminate on or about December 31st of their respective maturity year. In connection with such termination, each fund will make a cash distribution to then-current shareholders of its net assets after making appropriate provisions for any liabilities of the fund. The funds do not seek to return any predetermined amount at maturity. In the final six months of operation, as the bonds held by the fund mature, the fund's portfolio will transition to cash and cash equivalents, including without limitation U.S. Treasury Bills and investment-grade commercial paper, which may result in a lower yield than the yields of the bonds previously held by the fund and/or prevailing yields for bonds in the market. The funds will terminate on or about the date above without requiring additional approval by the Trust's Board of Trustees (the "Board") or fund shareholders. The Board may change the termination date to an earlier or later date if a majority of the Board determines the change to be in the best interest of the funds.

<sup>2</sup>The expense ratio is expressed as a unitary fee and covers all expenses of the fund, except for the fee payments under the investment advisory agreement, distribution fees, if any, brokerage expenses, taxes, interest, litigation expenses and other extraordinary expenses.

# The Potential Advantages of Building Fixed-Income Portfolios with Guggenheim BulletShares ETFs

There are a variety of ways to invest in fixed income, including acquiring individual bonds or investing in traditional fixed-income ETFs or mutual funds. Independently, each of these approaches may bring an array of challenges for individual investors including limited liquidity, lack of customization and/or exposure to a limited number of securities. To address these challenges, Guggenheim developed a suite of fixed-income ETFs designed, as described below, to combine the cash-flow profile of an investment in individual bonds and the diversification of bond funds.

## FINAL DISTRIBUTION AT MATURITY

At each fund's expected termination, the NAV of the fund's assets will be distributed to investors.\*

## ENHANCED BOND EXPOSURE

Each fund offers exposure to up to 50 bonds. Diversification, or investing in a basket of securities, may help optimize portfolio performance and reduce issuer-specific risk.

## EXCHANGE-TRADED LIQUIDITY AND TRANSPARENCY

Being exchange-traded, ETFs offer investors access to real-time pricing and intra-day trading as well as an efficient means to implement changes to their portfolio.

## PROFESSIONAL PORTFOLIO MANAGEMENT

A portfolio manager or management team is responsible for implementing each fund's investment strategy and managing day-to-day portfolio trading.

## CUSTOMIZATION

The funds can be utilized to create customized portfolios of bond funds with specified maturities\* based on an investor's expected portfolio needs.

## PRECISION

By providing targeted exposure to portfolios of bonds with effective maturities in a particular calendar year, the funds enable investors to construct a maturity profile that may optimize their portfolios.

## ACCESS/EASE OF USE

The required initial investment for an individual bond can be \$10,000 or greater, varying widely by the type of bond. By investing through an ETF, investors now have access to comprehensive portfolios of bonds that may have previously been unavailable to them.

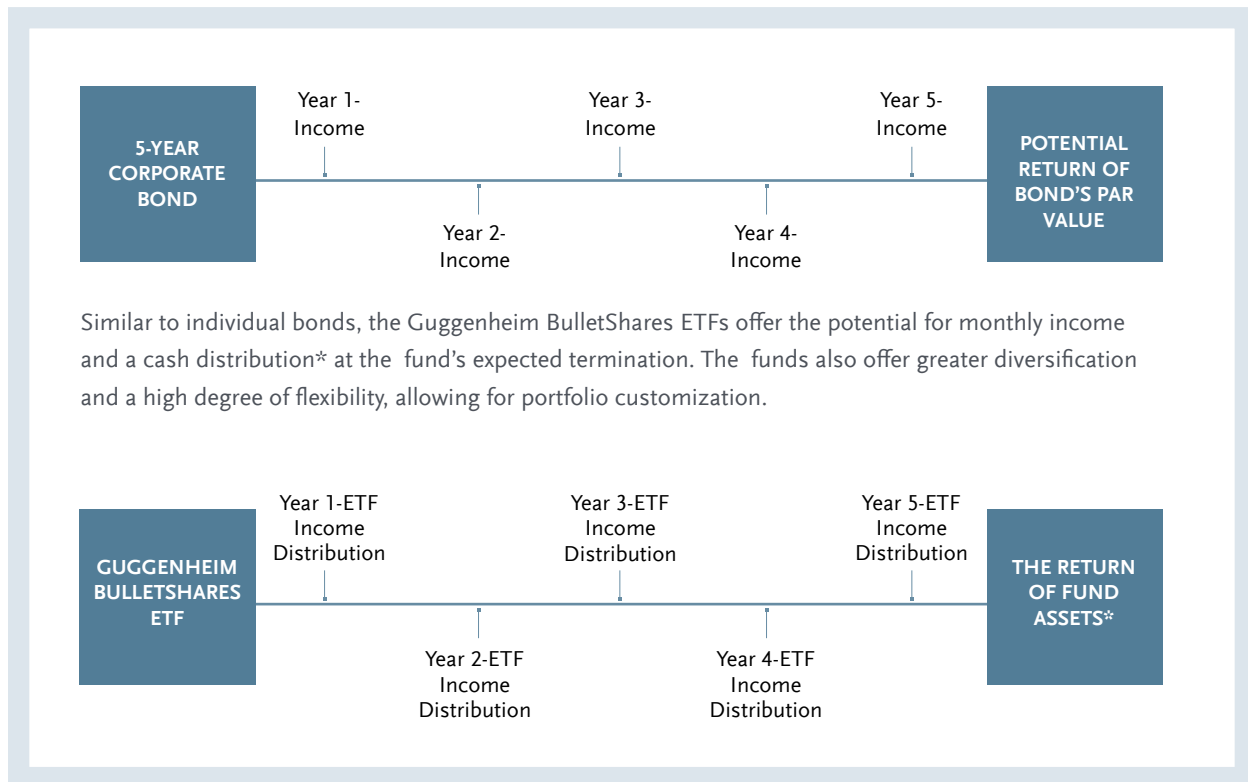
	Final Distribution at Maturity*	Enhanced Bond Exposure	Exchange-Traded Liquidity and Transparency	Customization	Precision	Access/Ease of Use	Professional Portfolio Management
<b>Guggenheim BulletShares Corporate Bond ETFs</b>	■	■	■	■	■	■	■
Traditional Fixed-Income ETFs		■	■			■	■
Traditional Fixed-Income Mutual Funds		■				■	■
Individual Bonds	■			■	■		

Each of the investment products listed in the above table may have other benefits that were not highlighted.

\*The funds do not seek to return any predetermined amount at maturity, and the amount an investor receives may be worth more or less than their original investment. In contrast, when an individual bond matures, an investor typically receives the bond's par (or face) value.

## Strategic Portfolio Applications

Investors often use individual bonds in their portfolios for potential income and return of the bond's par value at maturity. As shown below, an investment in a five-year corporate bond may result in income distributions each year of the bond's five-year life. At the end of the 5 years, investors typically receive back their bond's par value.



Additionally, the funds may be strategically applied in a variety of ways that set them apart from fixed-income funds as discussed in the following sections.

### ETF vs. Individual Bond Distributions

Unlike a direct investment in a bond that has a level coupon payment and a fixed payment at maturity, the ETFs' income distributions may vary over time and the breakdown of returns between ETF distributions and liquidation proceeds are not predictable at the time of your investment. For example, at times during the ETFs' existence, the funds may make distributions at a greater (or lesser) rate than the coupon payments received on the ETFs' portfolios, which will result in the funds returning a lesser (or greater) amount on liquidation than would otherwise be the case. The rate of ETF distribution payments may adversely affect the tax characterization of your returns from an investment in the ETFs relative to a direct investment in corporate bonds. If the amount you receive as liquidation proceeds upon the ETFs' termination is higher or lower than your cost basis, you may experience a gain or loss for tax purposes.

**\*The funds do not seek to return any predetermined amount at maturity. In connection with such maturity, the funds will make a cash distribution to then-current shareholders of its net assets after making appropriate provisions for any liabilities of the funds. The amount an investor receives may be worth more or less than their original investment.**

## Portfolio Ladder Building

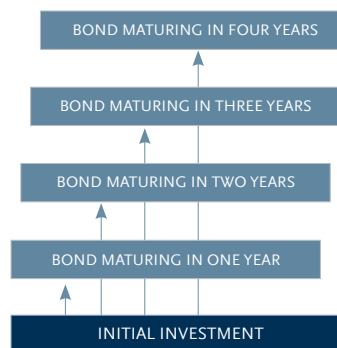
A ladder portfolio consists of bonds with varying terms to maturity. As bonds in a ladder portfolio mature, the cash distribution is generally utilized to cover lifestyle needs or reinvested in new bonds at the longest maturity of the ladder at the then-current interest rate.

Prior to maturity, this approach offers potential advantages in both rising and falling interest rate environments.

- If interest rates increase, an investor can reinvest proceeds, if any, from maturing bonds at higher interest rates.
- If interest rates decrease, the investor potentially benefits from price appreciation as the portfolio's higher-yielding bonds increase in value.

Bond laddering offers a number of potential benefits, but creating bond ladders with individual bonds can be time consuming and cost prohibitive. In contrast, Guggenheim BulletShares ETFs offer investors a cost effective and convenient approach to portfolio laddering.

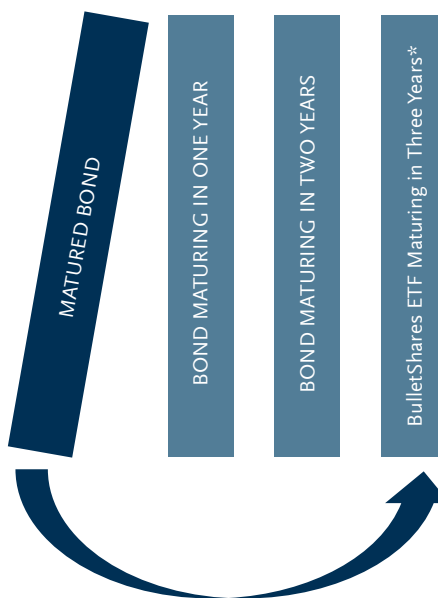
### EXAMPLE OF A BOND LADDER STRATEGY



## Ladder Management

Investors who currently have a ladder bond strategy can employ Guggenheim BulletShares ETFs as tools to manage their fixed-income portfolio. For example, as bonds in a ladder portfolio mature or are called back by the issuer, the newly created 'gap' must be filled with a new bond or investment product to maintain the strategy.

Instead of filling the gap with a single bond, investors can efficiently manage their bond ladder with Guggenheim BulletShares ETFs\* while also gaining exposure to a broad range of corporate bonds.

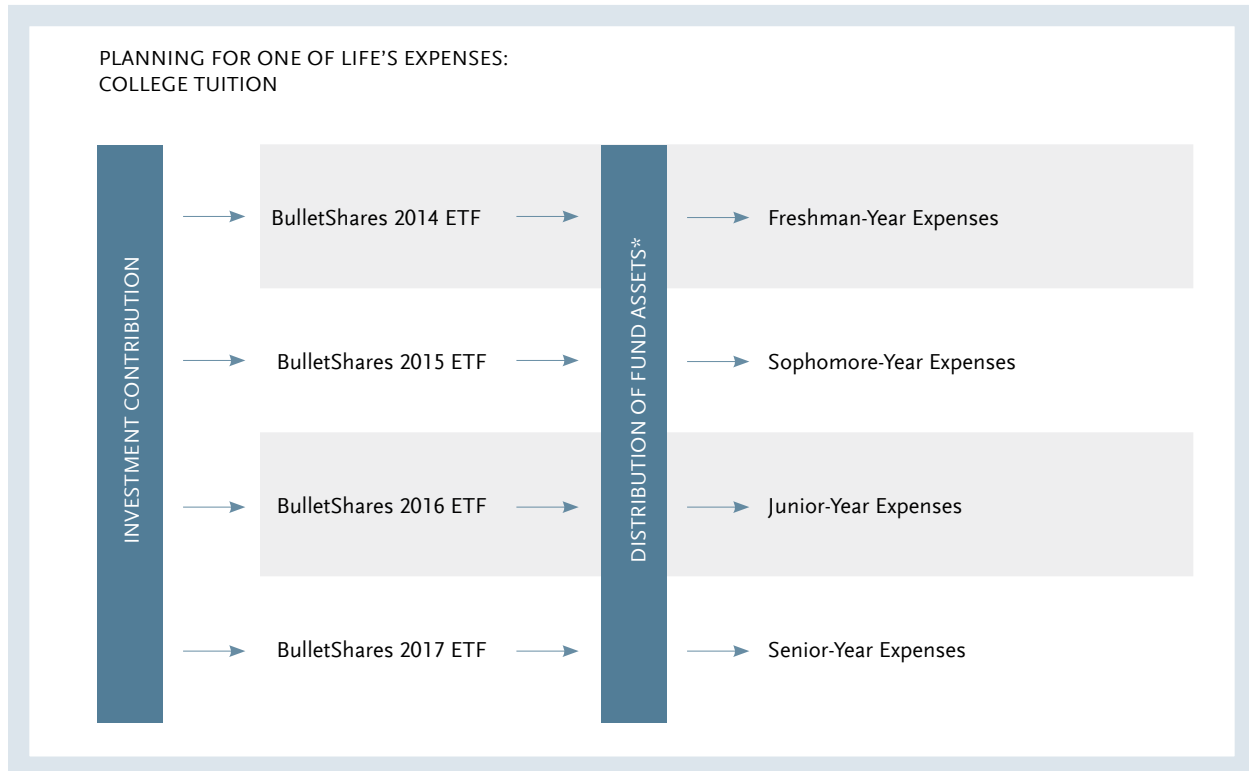


\*The funds do not seek to return any predetermined amount at maturity, and the amount an investor receives may be worth more or less than their original investment.

## Lifestyle-Driven Planning

With a final distribution of fund assets at maturity,\* Guggenheim BulletShares ETFs may provide investors with a source of cash that can be allocated to expenses such as college tuition or retirement needs.

For example, an investor facing future college tuition expenses, can use several of the Guggenheim BulletShares ETFs to create a customized portfolio. By selecting the funds whose expected terminations align with the investor's projected expenses, the funds' final cash distributions\*—if any—may be applied toward each year's tuition payments.



\*The funds do not seek to return any predetermined amount at maturity, and the amount an investor receives may be worth more or less than their original investment.

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About Guggenheim  
Investments ETFs

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Guggenheim Investments offers investors a broad range of ETFs—domestic and international equity, fixed-income and currency—to provide the core building blocks for portfolios, access to hard-to-reach market segments, as well as targeted investment choices. As the eighth-largest U.S. ETF provider with approximately \$11 billion in assets<sup>3</sup>, Guggenheim Investments seeks to be a go-to source for strong, actionable ideas to the marketplace. With a history of purposeful innovation, including many industry “firsts”, Guggenheim Investments delivers what we believe are distinct and relevant strategies for institutional investors, private wealth advisors and the clients they serve. Our clients value our commitment to the intelligent pursuit of wealth and our traditions of independence, thought leadership and nimbleness. For more information, visit [guggenheimfunds.com](http://guggenheimfunds.com) or [rydex-sgi.com](http://rydex-sgi.com).

**Accretive Asset Management LLC** creates products that help financial advisors better serve their clients. Through creative thinking informed by a strategic understanding of the marketplace, Accretive devises innovative solutions to problems faced by financial advisors and investors. BulletShares® Indices provide maturity targeted exposure to fixed income markets and are engineered to serve as the basis for products that combine the best attributes of investing in bonds and bond funds. For more information, see [BulletShares.com](http://BulletShares.com)



<sup>3</sup>SOURCES: BLACKROCK AND GUGGENHEIM INVESTMENTS ANALYSIS. AS OF 12.31.2011.

To learn more about accessing defined-maturity exposure to the corporate bond market, talk with your advisor or visit [Guggenheimfunds.com/BulletShares](http://Guggenheimfunds.com/BulletShares)

## INDEX DESCRIPTIONS

BulletShares® USD Corporate Bond Indices are designed to represent the performance of a held-to-maturity portfolio of U.S. dollar-denominated investment-grade corporate bonds with effective maturities in the same calendar year. BulletShares® USD High Yield Corporate Bond Indices are designed to represent the performance of a held-to-maturity portfolio of U.S. dollar-denominated high-yield corporate bonds with effective maturities in the same calendar year. The indices are unmanaged and it is not possible to invest directly in the indices.

## RISK CONSIDERATIONS

Investors should consider the following risk factors and special considerations associated with investing in the funds, which may cause you to lose money, including the entire principal amount that you invest. **Interest Rate Risk:** As interest rates rise, the value of fixed-income securities held by the funds are likely to decrease. Securities with longer durations tend to be more sensitive to interest rate changes, making them more volatile than securities with shorter durations. **Credit/Default Risk:** The risk that issuers or guarantors of debt instruments or the counterparty to a derivatives contract (BulletShares Corporate Bond ETFs only), repurchase agreement or loan of portfolio securities is unable or unwilling to make timely interest and/or principal payments or otherwise honor its obligations. Debt instruments are subject to varying degrees of credit risk, which may be reflected in credit ratings. Securities issued by the U.S. government have limited credit risk. Credit rating downgrades and defaults (failure to make interest or principal payment) may potentially reduce the funds' income and share prices. **Asset Class Risk:** The bonds in the funds' portfolio may underperform the returns of other bonds or indexes that track other industries, markets, asset classes or sectors. **Call Risk/Prepayment Risk:** During periods of falling interest rates, an issuer of a callable bond may exercise its right to pay principal on an obligation earlier than expected. This may result in the funds having to reinvest proceeds at lower interest rates, resulting in a decline in the funds' income. **Extension Risk:** The risk that an issuer will exercise its right to pay principal on an obligation later than expected. This may happen when there is a rise in interest rates. Under these circumstances, the value of the obligation will decrease and the funds' performance may suffer from its inability to invest in higher yielding securities. **Income Risk:** The risk that falling interest rates will cause the funds' income to decline. **Liquidity Risk:** If the funds invest in illiquid securities or securities that become illiquid, fund returns may be reduced because the funds may be unable to sell the illiquid securities at an advantageous time or price. **Declining Yield Risk:** During the final year of the funds' operations, as

the bonds held by the funds mature and the funds' portfolio transitions to cash and cash equivalents, the funds' yield will generally tend to move toward the yield of cash and cash equivalents and thus may be lower than the yields of the bonds previously held by the funds and/or prevailing yields for bonds in the market. **Fluctuation of Yield and Liquidation Amount Risk:** The funds, unlike a direct investment in a bond that has a level coupon payment and a fixed payment at maturity, will make distributions of income that vary over time. Unlike a direct investment in bonds, the breakdown of returns between fund distributions and liquidation proceeds are not predictable at the time of your investment. For example, at times during the funds' existence, it may make distributions at a greater (or lesser) rate than the coupon payments received on the funds' portfolio, which will result in the funds returning a lesser (or greater) amount on liquidation than would otherwise be the case. The rate of fund distribution payments may adversely affect the tax characterization of your returns from an investment in the funds relative to a direct investment in corporate bonds. If the amount you receive as liquidation proceeds upon the funds' termination is higher or lower than your cost basis, you may experience a gain or loss for tax purposes. In addition the funds are subject to **Non-Correlation Risk, Replication Management Risk, Issuer-Specific Changes, and Non-Diversified fund Risk.** The investment-grade corporate bond ETFs also entail the following risks. **Foreign Issuers Risk:** Investing in U.S. registered, dollar-denominated bonds of foreign corporations which have different risks than investing in U.S. companies. These include currency, political, and economic risk, as well as less market liquidity, generally greater market volatility and less complete financial information than for U.S. issuers. **Derivatives Risk:** The funds may invest in certain types of derivatives contracts, including futures, options and swaps which, increases the risk of loss for the funds. The high-yield corporate bond ETFs also entail the following risks: **High-Yield Securities Risk:** The funds invest in bonds that are rated below investment-grade and are considered to be "junk" securities. While these securities generally offer a higher current yield than that available from higher grade issues, they typically involve greater risk. The ability of issuers of high-yield securities to make timely payments of interest and principal may be adversely impacted by adverse changes in general economic conditions, changes in the financial condition of the issuers and price fluctuations in response to changes in interest rates. High-yield securities are less liquid than investment-grade securities and may be difficult to price or sell, particularly in times of negative sentiment toward high-yield securities. **Concentration Risk:** If the Index concentrates in an industry or group of industries the fund's investments will be concentrated accordingly.

In such event, the value of the fund's shares may rise and fall more than the value of shares of a fund that invests in securities of companies in a broader range of industries. In addition, the high-yield corporate bond ETFs may entail some or all of the following sector risks: **Financial Services Sector Risk, Consumer Staples Sector Risk, Telecommunications Sector Risk, and Consumer Discretionary Sector Risk.** Please read each fund's prospectus for more detailed information on these risks and considerations. As with any investment, you should consider how your investment will be taxed. The tax information contained in the prospectus is provided as general information. Investors should consult their own tax professional about the tax consequences of an investment as Guggenheim Funds Distributors, LLC does not offer tax advice.

Guggenheim Funds Investment Advisors LLC, an affiliate of Guggenheim Funds Distributors LLC, serves as the investment advisor.

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**Consider the investment objectives, risks, charges and ongoing expenses of any ETF carefully before investing. The prospectus or summary prospectus, if available, contains this and other relevant information. Please read the prospectus carefully before investing. To obtain a prospectus, visit [guggenheimfunds.com](http://guggenheimfunds.com) or contact a securities representative or Guggenheim Funds Distributors, LLC. 2455 Corporate West Drive, Lisle, IL 60532, 800.345.7999.**

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