



Closed-End Convertible & Income Portfolio

SERIES 12



UNIT INVESTMENT TRUSTS

Investment Objective and Principal Investment Strategy

The Closed-End Convertible & Income Portfolio, Series 12 ("Trust") seeks to provide high current income and the potential for capital appreciation. Under normal circumstances, the Trust will invest at least 80% of the value of its assets in common stocks of closed-end investment companies ("closed-end funds"), that are considered to be convertible securities and/or income funds. Claymore, through proprietary research and strategic alliances, will strive to select closed-end funds featuring the potential for current income, diversification and overall liquidity.

Long-Term Strategy

This UIT is part of a long-term strategy. Please consider your ability to invest in successive portfolios, if available, at the applicable sales charge. Call your financial professional today or visit claymore.com to learn more.

Advantages of Closed-End Funds

Many closed-end funds are designed to periodically distribute income to shareholders. In addition, historically, closed-end funds often trade at a discount to their net asset value and their structure allows for the employment of leverage. These features may help investors realize enhanced total returns.* Other advantages of closed-end funds include:

- Exchange listing
- Price visibility
- Intra-day trading
- Professional management

As a professionally-selected, defined fixed portfolio of managed closed-end funds, the Trust may provide an extra degree of diversification for those investors seeking monthly-income potential.**

* There is increased volatility associated with investing in leveraged funds.

** Despite broad diversification, it is important to note that certain closed-end funds selected for the portfolio invest in bonds rated below investment grade (sometimes referred to as "junk bonds"). These bonds are considered speculative and are traditionally subject to greater credit risk and therefore their risk of default may be greater than normal. As such, it is possible that the income streams provided by these closed-end funds may experience less stability than other investments.

Security Selection

The Sponsor has selected for the portfolio closed-end funds believed to have the best potential to achieve the Trust's investment objective. The closed-end funds' portfolios consist primarily of convertible securities and/or income producing securities including high-yield bonds and preferred securities.

As of the Trust's initial date of deposit (the "Inception Date"), 100% of the Trust's portfolio is invested in securities of closed-end funds with portfolios that consist primarily of convertible securities and/or income producing securities including, but not limited to, high yield bonds and preferred securities. See "Risk Considerations" for a description of the risks of investing in high-yield securities.

When selecting closed-end funds for inclusion in this portfolio the Sponsor looks at numerous factors. These factors include, but are not limited to:

- **Investment Objective.** The Sponsor favors funds that have a clear investment objective in line with the Trust's objective and, based upon a review of publicly available information, appear to be maintaining it.
- **Premium/Discount.** The Sponsor favors funds that are trading at a discount relative to their peers and relative to their long-term average.
- **Consistent Dividend.** The Sponsor favors funds that have a history of paying a consistent and competitive dividend which, in the opinion of the Sponsor, can be maintained.
- **Performance.** The Sponsor favors funds that have a history of strong relative performance (based on market price and net asset value) when compared to their peers and an applicable benchmark.

Making the Case for Convertible Securities

Convertible securities are bonds, debentures, notes, preferred securities or other securities that may be converted or exchanged (by the holder or the issuer) into shares of the underlying common stock (or cash or securities of equivalent value) at a stated exchange ratio or predetermined price (the "conversion price"). Convertible securities have general characteristics similar to both debt securities and common stocks, although depending upon the relationship of the conversion price to the market value of the underlying common stock, a convertible security may trade more like a common stock than a debt instrument. The interest rate paid on convertible securities may be either a fixed rate, or a floating rate that may be conditioned upon changes in the market price of the underlying common stock. Convertible securities may also be issued in zero-coupon form with an original issue discount.

The Sponsor believes convertible securities are currently attractive for the following reasons:

- Convertible securities have historically provided equity-like returns with less volatility. Many traditional long-only investors have re-entered the convertibles market as of late, which should serve to mitigate some volatility in the sector and create additional anomalies to exploit.
- While convertibles have rebounded strongly in recent months, they remain undervalued from a historical perspective, meaning the sector still offers compelling return potential.
- At current prices, convertibles appear to offer more value than both high-yield corporate debt and equities.

RISK CONSIDERATIONS As with all investments, you may lose some or all of your investment in the Trust. No assurance can be given that the Trust's investment objective will be achieved. The Trust also might not perform as well as you expect. This can happen for reasons such as these: **Share prices can be volatile.** The value of your investment may fall over time. Market value fluctuates in response to various factors. These can include stock market movements, purchases or sales of securities by the Trust, government policies, litigation, and changes in interest rates, inflation, the financial condition of the securities' issuer or even perceptions of the issuer. Units of the Trust are not deposits of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. **Due to the current state of the economy, the value of the securities held by the Trust may be subject to steep declines or increased volatility due to changes in performance or perception of the issuers.** In the last year, economic activity has declined across all sectors of the economy, and the United States is experiencing increased unemployment. The current economic crisis has affected the global economy with European and Asian markets also suffering historic losses. Extraordinary steps have been taken by the governments of several leading economic countries to combat the economic crisis; however, the impact of these measures is not yet known and cannot be predicted. **The Trust includes closed-end funds.** Closed-end funds are actively managed investment companies that invest in various types of securities. Closed-end funds issue shares of common stock that are traded on a securities exchange. Closed-end funds are subject to various risks, including management's ability to meet the closed-end fund's investment objective, and to manage the closed-end fund portfolio when the underlying securities are redeemed or sold, during periods of market turmoil and as investors' perceptions regarding closed-end funds or their underlying investments change. Closed-end funds are not redeemable at the option of the shareholder and they may trade in the market at a discount to their net asset value. Closed-end funds may also employ the use of leverage which increases risk and volatility. Recent instability in the auction rate preferred shares market may affect the volatility of certain closed-end funds, especially those that use leverage or plan to use leverage. **The value of fixed-income securities in the closed-end funds will generally fall if interest rates, in general, rise.** Typically, fixed-income securities with longer periods before maturity are more sensitive to interest rate changes. **A closed-end fund or issuers of securities held by a closed-end fund may be unwilling or unable to make principal payments and/or to declare dividends in the future, may call a security before its stated maturity, or may reduce the level of dividends declared.** This may result in a reduction in the value of your units. **The financial condition of a closed-end fund or an issuer of securities**

RISK CONSIDERATIONS CONTINUED ON NEXT PAGE

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PORTFOLIO HOLDINGS

Holdings are as of the date of deposit.

Symbol	Company Name	Symbol	Company Name
AVK	Advent Claymore Convertible Securities and Income Fund	NCV	Nicholas-Applegate Convertible & Income Fund
BCV	Bancroft Fund Limited	NCZ	Nicholas-Applegate Convertible & Income Fund II
CHY	Calamos Convertible and High Income Fund	NIE	Nicholas-Applegate Equity & Convertible Income Fund
CHI	Calamos Convertible Opportunities and Income Fund	NGZ	Nicholas-Applegate Global Equity & Convertible Income Fund
CGO	Calamos Global Total Return Fund	PCF	Putnam High Income Securities Fund
ECF	Ellsworth Fund Limited		

RISK CONSIDERATIONS (CONTINUED) held by a closed-end fund may worsen or its credit ratings may drop, resulting in a reduction in the value of your units. This may occur at any point in time, including during the primary offering period. **Certain closed-end funds held by the Trust invest in bonds that are rated below investment grade and are considered to be "junk" securities.** Below investment grade obligations are considered to be speculative and are subject to greater market and credit risks, and accordingly, the risk of non-payment or default is higher than with investment grade securities. In addition, such securities may be more sensitive to interest rate changes and more likely to receive early returns of principal. **Certain closed-end funds held by the Trust may invest in bonds that are rated as investment grade by only one rating agency.** As a result, such split-rated securities may have more speculative characteristics and are subject to a greater risk of default than securities rated as investment grade by both Moody's and Standard & Poor's. **Certain closed-end funds held by the Trust invest in convertible securities.** Convertible securities generally offer lower interest or dividend yields than non-convertible fixed-income securities of similar credit quality because of the potential for capital appreciation. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. However, a convertible security's market value also tends to reflect the market price of the common stock of the issuing company, particularly when that stock price is greater than the convertible security's "conversion price." Convertible securities fall below debt obligations of the same issuer in order of preference or priority in the event of a liquidation and are typically unrated or rated lower than such debt obligations. **Certain closed-end funds held by the Trust may invest in preferred securities.** Preferred securities are typically subordinated to 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 credit risk than those debt instruments. **The closed-end funds held by the Trust invest in common stocks.** Common stocks represent a proportional share of ownership in a company. Common stock prices fluctuate for several reasons including changes in investors' perceptions of the financial condition of an issuer, changes in the general condition of the relevant stock market, such as the market volatility recently exhibited, or when political or economic events affect the issuers. Common stock prices may also be particularly sensitive to rising interest rates, as the cost of capital rises and borrowing costs increase. **Certain closed-end funds held by the Trust invest in foreign securities.** Investment in foreign securities presents additional risk. Foreign risk is the risk that foreign securities will be more volatile than U.S. securities due to such factors as adverse economic, currency, political, social or regulatory developments in a country, including government seizure of assets, excessive taxation, limitations on the use or transfer of assets, the lack of liquidity or regulatory controls with respect to certain industries or differing legal and/or accounting standards. **Certain closed-end funds held by the Trust may invest in securities issued by entities located in emerging markets.** Emerging markets are generally defined as countries with low per capita income in the initial stages of their industrialization cycles. The markets of emerging markets countries are generally more volatile than the markets of developed countries with more mature economies. **Current economic conditions may lead to limited liquidity and greater volatility.** The markets for fixed-income securities, such as those held by the closed-end funds, have experienced periods of illiquidity and volatility since the latter half of 2007. General market uncertainty and consequent repricing risk have led to market imbalances of sellers and buyers, which in turn have resulted in significant valuation uncertainties in a variety of fixed-income securities. These conditions resulted, and in many cases continue to result in, greater volatility, less liquidity, widening credit spreads and a lack of price transparency, with many debt securities remaining illiquid and of uncertain value. These market conditions may make valuation of some of the securities held by a closed-end fund uncertain and/or result in sudden and significant valuation increases or declines in its holdings. **The Sponsor does not actively manage the portfolio.** The Trust will generally hold, and may continue to buy, the same securities even though a security's outlook, rating, market value or yield may have changed. **Inflation may lead to a decrease in the value of assets or income from investments. Please note that the Sponsor or an affiliate may be engaged as a service provider to certain closed-end funds held by the Trust and therefore certain fees paid by the Trust to such closed-end funds will be paid to the Sponsor or an affiliate for its services to such closed-end funds. In addition to the expenses of the units of the Trust, the Trust is subject to various expenses of closed-end funds. Please see the Trust prospectus for more complete risk information.**

UITs are fixed and not actively managed. An investment in this fixed portfolio should be made with an understanding of the risks involved with owning various types of investments. Industry predictions may not materialize and securities selected for the Trust may not participate in overall industry growth, if any. There is no guarantee that the portfolio will achieve its investment objective. Units, when redeemed, may be worth more or less than their original purchase price.

This UIT is part of a long-term strategy, and investors should consider their ability to invest in successive portfolios, if available, at the applicable sales charge. There are tax consequences associated with an investment from one series to the next. Investors should consult their tax advisor to determine tax consequences associated with an investment from one portfolio to the next. Units of the portfolio may be well suited for purchase by Individual Retirement Accounts or other qualified retirement plans. Consult an attorney or tax advisor regarding tax consequences associated with purchase of units. Claymore Securities, Inc. does not offer tax advice.

PORTFOLIO SUMMARY

Inception Date	August 21, 2009
Termination Date	October 8, 2014
Initial Offer Price	\$10.00
Minimum Investment	\$250.00
Number of Issues	11
Historical Annual Dividend Distributions	\$0.8682
Distributions*	25th day of each month commencing on September 25, 2009, if any

* The amount of distributions of the Trust may be lower or greater than the above-stated amount due to certain factors that may include, but are not limited to, a change in the dividends paid by issuers, a change in Trust expenses or the sale or maturity of securities in the portfolio. Fees and expenses of the Trust may vary as a result of a variety of factors including the Trust's size, redemption activity, brokerage and other transaction costs and extraordinary expenses.

TICKETING INFORMATION

CUSIP (cash payment)	18387F622
CUSIP (reinvestment accounts)	18387F630
CUSIP (fee-cash)	18387F648
CUSIP (fee-reinvest)	18387F655
Ticker	CECILX

SALES CHARGES

Sales Charge ("S/C") is based on a \$10 per unit offering price:

	Amount Per Unit	Max Per Unit %
Up-front S/C	\$0.100	1.00%
Year One Deferred S/C	\$0.345	3.45%
Creation and Development ("C&D") Fee	\$0.050	0.50%
Total S/C	\$0.495	4.95%

The deferred sales charge ("DSC") will be deducted in monthly installments on the last business day commencing March 2010 and ending July 2010. If units are redeemed prior to the DSC period, the entire DSC will be collected.

For unit prices other than \$10, percentages of initial sales charge, C&D fees, and deferred sales charges will vary. Early redemption of units will still cause payment of the deferred sales charge.

VOLUME DISCOUNT BREAKPOINTS

Purchase Amount	Sales Charge Reductions (as a % of the Public Offering Price)
Less than \$50,000	0.00%
\$50,000 - \$99,999	0.25%
\$100,000 - \$249,999	0.50%
\$250,000 - \$499,999	1.00%
\$500,000 - \$999,999	2.00%
\$1,000,000 or more	2.90%

NOT FDIC-INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE



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Investors should consider the investment objectives and policies, risk considerations, charges and ongoing expenses of the UIT carefully before investing. The prospectus contains this and other information relevant to an investment in the Trust. Please read the accompanying prospectus carefully before you invest or send money. If a free prospectus did not accompany this literature, please contact your securities representative or Claymore Securities, Inc.