

GUGGENHEIM STRATEGIC OPPORTUNITIES FUND

Form 497

October 11, 2012

PROSPECTUS SUPPLEMENT

(to Prospectus dated September 28, 2012)

Guggenheim Strategic Opportunities Fund

Up to 2,506,385 Common Shares

Guggenheim Strategic Opportunities Fund (the “Fund”) is a diversified, closed-end management investment company. The Fund’s investment objective is to maximize total return through a combination of current income and capital appreciation. The Fund pursues a relative value-based investment philosophy, which utilizes quantitative and qualitative analysis to seek to identify securities or spreads between securities that deviate from their perceived fair value and/or historical norms. The Fund’s sub-adviser seeks to combine a credit-managed fixed-income portfolio with access to a diversified pool of alternative investments and equity strategies. The Fund’s investment philosophy is predicated upon the belief that thorough research and independent thought are rewarded with performance that has the potential to outperform benchmark indexes with both lower volatility and lower correlation of returns as compared to such benchmark indexes. The Fund cannot ensure investors that it will achieve its investment objective.

The Fund seeks to achieve its investment objective by investing in a wide range of fixed-income and other debt and senior equity securities (“Income Securities”) selected from a variety of sectors and credit qualities, including, but not limited to, corporate bonds, loans and loan participations, structured finance investments, U.S. government and agency securities, mezzanine and preferred securities and convertible securities, and in common stocks, limited liability company interests, trust certificates and other equity investments (“Common Equity Securities”) that the Fund’s sub-adviser believes offer attractive yield and/or capital appreciation potential, including employing a strategy of writing (selling) covered call and put options on such equities.

The Fund has entered into a Controlled Equity OfferingSM Sales Agreement (the “Sales Agreement”) among the Fund, the Fund’s investment advisor, Guggenheim Funds Investment Advisors, LLC (the “Investment Adviser”), and Cantor Fitzgerald & Co. (“Cantor Fitzgerald”) relating to the Fund’s common shares of beneficial interest, par value \$0.01 per share (the “Common Shares”), offered by this Prospectus Supplement and the accompanying Prospectus. In accordance with the terms of the Sales Agreement, the Fund may offer and sell up to 4,875,670 Common Shares, from time to time, through Cantor Fitzgerald as agent for the Fund for the offer and sale of Common Shares. After taking into account the 869,285 Common Shares already sold pursuant to the Sales Agreement and the Common Shares sold by the Fund in an underwritten offering in January 2012, up to 2,506,385 Common Shares are being offered by this Prospectus Supplement.

Cantor Fitzgerald will be entitled to compensation up to 200 basis points of the gross proceeds of the sale of any Common Shares under the Sales Agreement, with the exact amount of such compensation to be mutually agreed upon by the Fund and Cantor Fitzgerald from time to time. In connection with the sale of the Common Shares on behalf of the Fund, Cantor Fitzgerald may be deemed to be an “underwriter” within the meaning of the 1933 Act and the compensation of Cantor Fitzgerald may be deemed to be underwriting commissions or discounts.

Sales of Common Shares, if any, under this Prospectus Supplement and the accompanying Prospectus may be made in negotiated transactions or transactions that are deemed to be “at the market” as defined in Rule 415 under the Securities Act of 1933, as amended (the “1933 Act”), including sales made directly on the NYSE or sales made to or

through a market maker other than on an exchange.

The Fund's currently outstanding Common Shares are, and the Common Shares offered by this Prospectus Supplement and the accompanying Prospectus will be, listed on the New York Stock Exchange ("NYSE") under the symbol "GOF." As of September 28, 2012, the last reported sale price for the Fund's Common Shares on the NYSE was \$21.97 per share. The net asset value ("NAV") per share of the Fund's Common Shares as of the close of business on September 28, 2012 was \$19.99.

(continued on following page)

Investing in the Fund's Common Shares involves certain risks. See "Risks" beginning on page 51 of the accompanying Prospectus. You should consider carefully these risks together with all of the other information contained in this Prospectus Supplement and the accompanying Prospectus before making a decision to purchase Common Shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Prospectus Supplement or the accompanying Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Cantor Fitzgerald & Co.

This Prospectus Supplement is dated October 11, 2012.

(continued from previous page)

This Prospectus Supplement, together with the accompanying Prospectus, dated January 4, 2012, set forth concisely the information that you should know before investing in the Fund's Common Shares. You should read this Prospectus Supplement and the accompanying Prospectus, which contain important information about the Fund, before deciding whether to invest, and you should retain them for future reference. A Statement of Additional Information, dated September 28, 2012 (the "SAI"), as supplemented from time to time, containing additional information about the Fund, has been filed with the Securities and Exchange Commission ("SEC") and is incorporated by reference in its entirety into the accompanying Prospectus. This Prospectus Supplement, the accompanying Prospectus and the SAI are part of a "shelf" registration statement filed with the SEC. This Prospectus Supplement describes the specific details regarding this offering, including the method of distribution. If information in this Prospectus Supplement is inconsistent with the accompanying Prospectus or the SAI, you should rely on this Prospectus Supplement. You may request a free copy of the SAI, the table of contents of which is on page 85 of the accompanying Prospectus, or request other information about the Fund (including the Fund's annual and semi-annual reports) or make shareholder inquiries by calling (800) 345-7999 or by writing the Fund, or you may obtain a copy (and other information regarding the Fund) from the SEC's web site (<http://www.sec.gov>). Free copies of the Fund's reports and the SAI also are available from the Fund's website at www.guggenheimfunds.com/gof.

The Fund's Common Shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

Capitalized terms used herein that are not otherwise defined shall have the meanings assigned to them in the accompanying Prospectus.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement and the accompanying Prospectus contain or incorporate by reference forward-looking statements, within the meaning of the federal securities laws, that involve risks and uncertainties. These statements describe the Fund's plans, strategies, and goals and our beliefs and assumptions concerning future economic and other conditions and the outlook for the Fund, based on currently available information. In this Prospectus Supplement and the accompanying 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.

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You should rely only on the information contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus in making your investment decisions. The Fund has not and Cantor Fitzgerald has not authorized any other person to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it. The Fund and Cantor Fitzgerald take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This Prospectus Supplement and the accompanying Prospectus do not constitute an offer to sell or solicitation of an offer to buy any securities in any jurisdiction where the offer or sale is not permitted. The information appearing in this

Prospectus Supplement and in the accompanying Prospectus is accurate only as of the respective dates on their front covers. The Fund's business, financial condition and prospects may have changed since such dates. The Fund will advise investors of any material changes to the extent required by applicable law.

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PROSPECTUS SUMMARY

This is only a summary of information contained elsewhere in this Prospectus Supplement and the accompanying Prospectus. This summary does not contain all of the information that you should consider before investing in the Fund's Common Shares. You should carefully read the more detailed information contained in this Prospectus Supplement and the accompanying Prospectus, dated September 28, 2012, especially the information set forth under the headings "Investment Objective and Policies" and "Risks" prior to making an investment in the Fund. You may also wish to request a copy of the Fund's Statement of Additional Information, dated September 28, 2012 (the "SAI"), which contains additional information about the Fund. Capitalized terms used herein that are not otherwise defined shall have the meanings assigned to them in the accompanying Prospectus.

The Fund

Guggenheim Strategic Opportunities Fund (the "Fund") is a diversified, closed-end management investment company that commenced operations on July 26, 2007. The Fund's investment objective is to maximize total return through a combination of current income and capital appreciation. The Fund pursues a relative value-based investment philosophy, which utilizes quantitative and qualitative analysis to seek to identify securities or spreads between securities that deviate from their perceived fair value and/or historical norms.

The Fund's common shares of beneficial interest, par value \$0.01 per share, are called "Common Shares" and the holders of Common Shares are called "Common Shareholders" throughout this Prospectus Supplement and the accompanying Prospectus.

Management of the Fund

Guggenheim Funds Investment Advisors, LLC (the "Investment Adviser") serves as the Fund's investment adviser and is responsible for the management of the Fund. Guggenheim Partners Asset Management, LLC (the "Sub-Adviser") is responsible for the management of the Fund's portfolio of securities. Each of the Investment Adviser and the Sub-Adviser are subsidiaries of Guggenheim Partners, LLC ("Guggenheim Partners"). Guggenheim Partners is a diversified financial services firm with wealth management, capital markets, investment management and proprietary investing businesses, whose clients are a mix of individuals, family offices, endowments, foundation insurance companies and other institutions that have entrusted Guggenheim Partners with the supervision of more than \$160 billion of assets as of June 30, 2012. Guggenheim Partners is headquartered in Chicago and New York with a global network of offices throughout the United States, Europe, and Asia.

Listing and Symbol

The Fund's currently outstanding Common Shares are, and the Common Shares offered by this Prospectus Supplement and the accompanying Prospectus will be, listed on the New York Stock Exchange (the "NYSE") under the symbol "GOF." As of September 28, 2012, the last reported sale price for the Fund's Common Shares was \$21.97. The net asset value ("NAV") per share of the Fund's Common Shares at the close of business on September 28, 2012, was \$19.99.

Distributions

The Fund has paid distributions to Common Shareholders monthly since inception. Payment of future distributions is subject to approval by the Fund's

Board of Trustees, as well as meeting the covenants of any outstanding borrowings and the asset coverage requirements of the Investment Company Act of 1940, as amended (the "1940 Act").

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The Offering

The Fund has entered into a Controlled Equity OfferingSM Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") relating to the Common Shares offered by this Prospectus Supplement and the accompanying Prospectus. In accordance with the terms of the Sales Agreement, the Fund may offer and sell up to 4,875,670 Common Shares, from time to time, through Cantor Fitzgerald as the Fund's agent for the offer and sale of the Common Shares. As of the date of this Prospectus Supplement, the Fund has sold pursuant to the Sales Agreement an aggregate of 869,285 Common Shares.

The Fund registered \$100,000,000 of Common Shares pursuant to the registration statement of which this Prospectus Supplement is a part. After taking into account the 869,285 Common Shares already sold pursuant to the Sales Agreement and the Common Shares sold by the Fund in an underwritten offering in January 2012, up to 2,506,385 Common Shares are being offered by this Prospectus Supplement.

Sales of Common Shares, if any, under this Prospectus Supplement and the accompanying Prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" as defined in Rule 415 under the Securities Act of 1933, as amended (the "1933 Act"), including sales made directly on the NYSE or sales made to or through a market maker other than on an exchange. See "Plan of Distribution" in this Prospectus Supplement.

The Common Shares may not be sold through agents, underwriters or dealers without delivery or deemed delivery of the Prospectus and this Prospectus Supplement describing the method and terms of the offering of Common Shares.

Under the Investment Company Act of 1940, as amended, the Fund may not sell Common Shares at a price below the then current NAV per Common Share, after taking into account any commission or discount.

Risks

See "Risks" beginning on page 51 of the accompanying Prospectus for a discussion of factors you should consider carefully before deciding to invest in the Fund's Common Shares.

Use of Proceeds

The Fund intends to invest the net proceeds of this offering in accordance with its investment objective and policies as stated in the accompanying Prospectus. It is currently anticipated that the Fund will be able to invest substantially all of the net proceeds of this offering in accordance with its investment objective and policies within three months of the receipt of such proceeds. Pending such investment, it is anticipated that the proceeds will be invested in U.S. government securities or high quality, short-term money market securities. The Fund may also use the proceeds for working capital purposes, including the payment of distributions, interest and operating expenses, although the Fund currently has no intent to use the proceeds of this

offering primarily for this purpose.

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SUMMARY OF FUND EXPENSES

The following table contains information about the costs and expenses that Common Shareholders will bear directly or indirectly. The table is based on the capital structure of the Fund as of May 31, 2012 (except as noted below), after giving effect to the net proceeds of Common Shares issued after May 31, 2012 and prior to the date of this Prospectus Supplement and anticipated net proceeds of this offering and assuming that the Fund incurs the estimated offering expenses. The purpose of the table and the example below is to help you understand the fees and expenses that you, as a holder of Common Shares, would bear directly or indirectly.

Shareholder Transaction Expenses

Sales load (as a percentage of offering price)	2.00%(1)
Offering expenses borne by the Fund (as a percentage of offering price)	0.60%(2)
Automatic Dividend Reinvestment Plan fees(3)	None

	Percentage of Net Assets Attributable to Common Shares(4)
Annual Expenses	
Management fees(5)	1.40%
Interest expense(6)	0.70%
Acquired fund fees and expenses(7)	0.03%
Other expenses(8)	0.39%
Total annual expenses	2.52%

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- Represents the estimated commission with respect to the Common Shares being sold in this offering. Cantor
- (1) Fitzgerald will be entitled to compensation up to 200 basis points of the gross proceeds of the sale of any Common Shares under the Sales Agreement, with the exact amount of such compensation to be mutually agreed upon by the Fund and Cantor Fitzgerald from time to time. The Fund has assumed that Cantor Fitzgerald will receive a commission of 2.00% of the gross sale price of the Common Shares sold in this offering.
- (2) Offering expenses payable by the Fund will be deducted from the proceeds from this offering. The Fund will pay offering expenses out of the proceeds of any sales of Common Shares pursuant to this Prospectus Supplement in an amount equal to 0.60% of the offering price of such Common Shares, not to exceed the Fund's actual offering costs. The Investment Adviser has agreed to pay offering expenses of the Fund (other than the sales load) that exceed 0.60% of the aggregate public offering price of the Common Shares sold in this offering. You will pay brokerage charges if you direct the Plan Agent to sell your Common Shares held in a dividend
- (3) reinvestment account. See "Dividend Reinvestment Plan" in the accompanying Prospectus.
- (4) Based upon net assets applicable to Common Shares as of May 31, 2012 after giving effect to the net proceeds of the

Common Shares previously sold pursuant to the Sales Agreement after May 31, 2012 and prior to the date of this Prospectus Supplement and the anticipated net proceeds of the Common Shares offered by this Prospectus Supplement

based on an assumed price per share of \$21.97 (the last reported sale price of the Fund's Common Shares on the NYSE as

of September 28, 2012). The price per share of any sale of Common Shares may be greater or less than the price assumed

herein, depending on the market price of the Common Shares at the time of any sale. There is no guarantee that there will

be any sales of Common Shares pursuant to this Prospectus Supplement. The number of Common Shares actually sold

pursuant to this Prospectus Supplement may be less than as assumed herein.

The Fund pays an investment advisory fee to the Investment Adviser in an annual amount equal to 1.00% of the

- (5) Fund's average daily Managed Assets. Common Shareholders bear the portion of the investment advisory fee attributable to the assets purchased with the proceeds of Financial Leverage, which means that Common Shareholders effectively bear the entire advisory fee.

Includes interest payments on borrowed funds and interest expense on reverse repurchase agreements, based on

- (6) the Fund's outstanding Financial Leverage as of May 31, 2012. Interest payments on borrowed funds reflects Borrowings under the Fund's committed facility agreement in an amount equal to 10.5% of the Fund's Managed Assets, at an annual interest rate cost to the Fund of 1.32%. The actual amount of interest payments by the Fund will vary over time in accordance with the amount of Borrowings and variations in market interest rates. Interest expenses on reverse repurchase agreements reflect the use of leverage in the form of reverse repurchase agreements representing 18.3% of the Fund's Managed Assets at an annual interest cost to the Fund of 2.02%. The actual amount of interest expense on reverse repurchase agreements borne by the Fund will vary over time in accordance with the level of the Fund's use of reverse repurchase agreements and variations in market interest rates.

Acquired Fund Fees and Expenses are based on estimated amounts for the current fiscal year, reflecting the fees

- (7) and expenses borne by the Fund as an investor in other investment companies during the most recently completed fiscal year and the expected investment of the proceeds of this offering.

- (8) Other expenses are estimated based upon those incurred during the fiscal year ended May 31, 2012.

Example

As required by relevant SEC regulations, the following example illustrates the expenses that you would pay on a \$1,000 investment in Common Shares, assuming (1) “Total annual expenses” of 2.52% of net assets attributable to Common Shares, (2) the sales load of \$20 and estimated offering expenses of \$6, and (3) a 5% annual return*:

	1 Year	3 Years	5 Years	10 Years
Total Expenses Incurred	\$51	\$102	\$157	\$304

* The Example should not be considered a representation of future expenses or returns. Actual expenses may be higher or lower than those assumed. Moreover, the Fund’s actual rate of return may be higher or lower than the hypothetical 5% return shown in the Example. The Example assumes that all dividends and distributions are reinvested at net asset value.

CAPITALIZATION

The Fund may offer and sell up to 2,506,385 Common Shares, from time to time, through Cantor Fitzgerald as the Fund’s agent for the offer and sale of Common Shares under this Prospectus Supplement and the accompanying Prospectus. The table below assumes the sale of 2,506,385 Common Shares, at a price of \$21.97 per share (the last reported sale price for the Fund’s Common Shares on the NYSE as of September 28, 2012). The price per share of any sale of Common Shares may be greater or less than the price assumed herein, depending on the market price of the Common Shares at the time of any sale. There is no guarantee that there will be any sales of Common Shares pursuant to this Prospectus Supplement. The number of Common Shares actually sold pursuant to this Prospectus Supplement may be less than as assumed herein. To the extent that the market price per share of the Fund’s Common Shares, less any distributing commission or discount, is less than the then current NAV per Common Share on any given day, the Fund will instruct Cantor Fitzgerald not to make any sales on such day.

The following table sets forth the Fund’s capitalization at May 31, 2012:

- (i) on a historical basis;
- (ii) on an as adjusted basis, as of September 28, 2012, to reflect the issuance of an aggregate of 12,951 Common Shares pursuant to the Fund’s Automatic Dividend Reinvestment Plan; and the issuance and sale of 832,785 Common Shares previously sold pursuant to the Sales Agreement (less the commission paid to Cantor Fitzgerald and offering expenses payable by the Fund in connection with the issuance and sale of such Common Shares); and
- (iii) on an as further adjusted basis to reflect the assumed sale of 2,506,385 of Common Shares at a price of \$21.97 per share (the last reported sale price for the Fund’s Common Shares on the NYSE as of September 28, 2012), in an offering under this Prospectus Supplement and the accompanying Prospectus less the assumed commission of \$1,101,306 (representing an estimated commission paid to Cantor Fitzgerald of 2.00% of the gross proceeds of the sale of Common Shares effected by Cantor Fitzgerald in this offering) and estimated offering expenses payable by the Fund of \$400,000.

	Actual	As Adjusted (unaudited)	As Further Adjusted (unaudited)
Short-Term Debt:			
Leverage	\$83,841,996	\$90,633,062	\$90,633,062
Common Shareholder's Equity:			
Common shares of beneficial interest, par value \$0.01			
per share; unlimited shares authorized, 10,913,698 shares			
issued and outstanding (actual), 11,759,434 shares issued			
and outstanding (as adjusted), and 14,265,819 shares issued			
and outstanding (as further adjusted)	109,137	117,594	142,658
Additional paid-in capital	200,308,337	217,744,907	271,283,816
Net unrealized appreciation on investments	1,985,192	1,985,192	1,985,192
Accumulated net realized gain on investments	4,544,162	4,544,162	4,544,162
Accumulated net investment income	399,443	399,443	399,443
Net assets	\$207,346,271	\$224,791,298	\$278,355,271

USE OF PROCEEDS

Sales of Common Shares, if any, under this Prospectus Supplement and the accompanying Prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" as defined in Rule 415 under the 1933 Act, including sales made directly on the NYSE or sales made to or through a market maker other than on an exchange. Assuming the sale of all Common Shares offered under this Prospectus Supplement and the accompanying Prospectus, at the last reported sale price of \$21.97 per share on the NYSE as of September 28, 2012, the net proceeds to the Fund from this offering will be approximately \$53,563,973 after deducting the estimated commission and estimated offering expenses. There is no guarantee that there will be any sales of Common Shares pursuant to this Prospectus Supplement. The number of Common Shares, if any, actually sold under this Prospectus Supplement may be less than as set forth in this paragraph. In addition, the price per share of any such sale may be greater or less than \$21.97, depending on the market price of the Fund's Common Shares at the time of any such sale. As a result, the actual net proceeds received by the Fund may be more or less than the amount of net proceeds estimated in this paragraph.

The Fund intends to invest the net proceeds from this offering in accordance with its investment objective and policies as stated in the accompanying Prospectus. It is currently anticipated that the Fund will be able to invest substantially all of the net proceeds from this offering in accordance with its investment objective and policies within three months of the receipt of such proceeds. Pending such investment, it is anticipated that the proceeds will be invested in U.S. government securities or high quality, short-term money market securities. The Fund may also use the proceeds for working capital purposes, including the payment of distributions, interest and operating expenses, although the Fund currently has no intent to use the proceeds from this offering primarily for this purpose.

PLAN OF DISTRIBUTION

Under the Sales Agreement among the Fund, the Investment Adviser and Cantor Fitzgerald, upon written instructions from the Fund, Cantor Fitzgerald will use its commercially reasonable efforts consistent with its sales and trading practices, to solicit offers to purchase the Common Shares under the terms and subject to the conditions set forth in the Sales Agreement. Cantor Fitzgerald's solicitation will continue until the Fund instructs Cantor Fitzgerald to suspend the solicitations and offers. The Fund will instruct Cantor Fitzgerald as to the amount of Common Shares to be sold by Cantor Fitzgerald. The Fund may instruct Cantor Fitzgerald not to sell Common Shares if the sales cannot be effected at or above the price designated by the Fund in any instruction. The Fund or Cantor Fitzgerald may suspend the offering of Common Shares upon proper notice and subject to other conditions.

Cantor Fitzgerald will provide written confirmation to the Fund not later than the opening of the trading day on the NYSE following any trading day on which Common Shares are sold under the Sales Agreement. Each

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confirmation will include the number of Common Shares sold on the preceding day, the net proceeds to the Fund and the compensation payable by the Fund to Cantor Fitzgerald in connection with the sales.

The Fund will pay Cantor Fitzgerald commissions for its services in acting as agent for the sale of Common Shares. Cantor Fitzgerald will be entitled to compensation up to 200 basis points of the gross proceeds of the sale of any Common Shares under the Sales Agreement, with the exact amount of such compensation to be mutually agreed upon by the Fund and Cantor Fitzgerald from time to time. There is no guarantee that there will be any sales of Common Shares pursuant to this Prospectus Supplement.

Settlement for sales of Common Shares will occur on the third trading day following the date on which such sales are made, or on some other date that is agreed upon by the Fund and Cantor Fitzgerald in connection with a particular transaction, in return for payment of the net proceeds to the Fund. There is no arrangement for funds to be deposited in escrow, trust or similar arrangement.

In connection with the sale of Common Shares on behalf of the Fund, Cantor Fitzgerald may be deemed to be an "underwriter" within the meaning of the 1933 Act, and the compensation paid to Cantor Fitzgerald may be deemed to be underwriting commissions or discounts. The Fund and the Investment Adviser have agreed to provide indemnification and contribution to Cantor Fitzgerald against certain civil liabilities, including liabilities under the 1933 Act. The Fund and the Investment Adviser have also agreed to reimburse Cantor Fitzgerald for other specified expenses.

The offering of Common Shares pursuant to the Sales Agreement will terminate upon the earlier of (1) the sale of all Common Shares subject to the Sales Agreement or (2) the termination of the Sales Agreement. The Sales Agreement may be terminated by the Fund in its sole discretion at any time by giving 20 days' notice to Cantor Fitzgerald. The Sales Agreement may be terminated by the Investment Adviser in its sole discretion in the event the Investment Adviser ceases to act as investment adviser to the Fund. In addition, Cantor Fitzgerald may terminate the Sales Agreement under the circumstances specified in the Sales Agreement and in its sole discretion at any time following a period of 30 days from the date of the Sales Agreement by giving 20 days' notice to the Fund.

Under the 1940 Act, the Fund may not sell Common Shares at a price below the then current NAV per Common Share, after taking into account any commission or discount. To the extent that the market price per share of the Fund's Common Shares is less than the then current NAV per Common Share, after taking into account any commission or discount, on any given day, the Fund will instruct Cantor Fitzgerald not to make any sales on such day.

In accordance with the terms of the Sales Agreement, the Fund may offer and sell up to 4,875,670 Common Shares, from time to time, through Cantor Fitzgerald as the Fund's agent for the offer and sale of Common Shares. As of the date of this Prospectus Supplement, the Fund has sold pursuant to the Sales Agreement an aggregate of 869,285 Common Shares and has paid commissions to Cantor Fitzgerald of \$370,136, resulting in net proceeds to the Fund of \$18,136,644 (before the payment of any offering expenses).

The Fund registered \$100,000,000 of Common Shares pursuant to the registration statement of which this Prospectus Supplement is a part. After taking into account the 869,285 Common Shares already sold pursuant to the Sales Agreement and the Common Shares sold by the Fund in an underwritten offering in January 2012, up to 2,506,385 Common Shares are being offered by this Prospectus Supplement.

The principal business address of Cantor Fitzgerald is 499 Park Avenue, New York, New York 10022.

LEGAL MATTERS

Certain legal matters will be passed on by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York, as special counsel to the Fund in connection with the offering of Common Shares. Certain legal matters will be passed on by Andrews Kurth LLP, New York, New York, as special counsel to Cantor Fitzgerald in connection with the offering of Common Shares.

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ADDITIONAL INFORMATION

This Prospectus Supplement and the accompanying Prospectus constitute part of a Registration Statement filed by the Fund with the SEC under the 1933 Act and the 1940 Act. This Prospectus Supplement and the accompanying Prospectus omit certain of the information contained in the Registration Statement, and reference is hereby made to the Registration Statement and related exhibits for further information with respect to the Fund and the Common Shares offered hereby. Any statements contained herein concerning the provisions of any document are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the SEC. Each such statement is qualified in its entirety by such reference. The complete Registration Statement may be obtained from the SEC upon payment of the fee prescribed by its rules and regulations or free of charge through the SEC's web site (<http://www.sec.gov>).

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Guggenheim Strategic Opportunities Fund

up to 2,506,385 Common Shares

PROSPECTUS
SUPPLEMENT

Cantor Fitzgerald & Co.

October 11, 2012

BASE PROSPECTUS

\$55,065,278

Guggenheim Strategic Opportunities Fund

Common Shares

Investment Objective and Philosophy. Guggenheim Strategic Opportunities Fund (the “Fund”) is a diversified, closed-end management investment company. The Fund’s investment objective is to maximize total return through a combination of current income and capital appreciation. The Fund will pursue a relative value-based investment philosophy, which utilizes quantitative and qualitative analysis to seek to identify securities or spreads between securities that deviate from their perceived fair value and/or historical norms. The Fund’s sub-adviser seeks to combine a credit-managed fixed-income portfolio with access to a diversified pool of alternative investments and equity strategies. The Fund’s investment philosophy is predicated upon the belief that thorough research and independent thought are rewarded with performance that has the potential to outperform benchmark indexes with both lower volatility and lower correlation of returns as compared to such benchmark indexes. The Fund cannot ensure investors that it will achieve its investment objective.

Investment Portfolio. The Fund will seek to achieve its investment objective by investing in a wide range of fixed-income and other debt and senior equity securities (“Income Securities”) selected from a variety of sectors and credit qualities, including, but not limited to, corporate bonds, loans and loan participations, structured finance investments, U.S. government and agency securities, mezzanine and preferred securities and convertible securities, and in common stocks, limited liability company interests, trust certificates and other equity investments (“Common Equity Securities”) that the Fund’s sub-adviser believes offer attractive yield and/or capital appreciation potential, including employing a strategy of writing (selling) covered call and put options on such equities.

Offering. The Fund may offer, from time to time, up to \$55,065,278 aggregate initial offering price of common shares of beneficial interest, par value \$0.01 per share (“Common Shares”), in one or more offerings in amounts, at prices and on terms set forth in one or more supplements to this Prospectus (each a “Prospectus Supplement”). You should read this Prospectus and any related Prospectus Supplement carefully before you decide to invest in the Common Shares.

The Fund may offer Common Shares (1) directly to one or more purchasers, (2) through agents that the Fund may designate from time to time or (3) to or through underwriters or dealers. The Prospectus Supplement relating to a particular offering of Common Shares will identify any agents or underwriters involved in the sale of Common Shares, and will set forth any applicable purchase price, fee, commission or discount arrangement between the Fund and agents or underwriters or among underwriters or the basis upon which such amount may be calculated. The Fund may not sell Common Shares through agents, underwriters or dealers without delivery of this Prospectus and a Prospectus Supplement. See “Plan of Distribution.”

Investment Adviser and Sub-Adviser. Guggenheim Funds Investment Advisors, LLC (the “Investment Adviser”) serves as the Fund’s investment adviser and is responsible for the management of the Fund. Guggenheim Partners Investment Management, LLC (the “Sub-Adviser”) will be responsible for the management of the Fund’s portfolio of securities. Each of the Investment Adviser and the Sub-Adviser is a wholly-owned subsidiary of Guggenheim

Partners, LLC (“Guggenheim Partners”). Guggenheim Partners is a diversified financial services firm with wealth management, capital markets, investment management and proprietary investing businesses, whose clients are a mix of individuals, family offices, endowments, foundation insurance companies and other institutions that have entrusted Guggenheim Partners with the supervision of more than \$160 billion of assets as of June 30, 2012. Guggenheim Partners is headquartered in Chicago and New York with a global network of offices throughout the United States, Europe, and Asia.

(continued on following page)

Investing in the Fund’s Common Shares involves certain risks. See “Risks” on page 51 of this Prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Prospectus dated September 28, 2012,

(continued from previous page)

Investment Parameters. The Fund may allocate its assets among a wide variety of Income Securities and Common Equity Securities, provided that, under normal market conditions, the Fund will not invest more than: 60% of its total assets in Income Securities rated below-investment grade (commonly referred to as “high-yield” or “junk” bonds), which are considered speculative with respect to the issuer’s capacity to pay interest and repay principal; 50% of its total assets in Common Equity Securities consisting of common stock; 30% of its total assets in other investment companies, including registered investment companies, private investment funds and/or other pooled investment vehicles; 20% of its total assets in non-U.S. dollar-denominated Income Securities; and 10% of its total assets in Income Securities of issuers in emerging markets.

Common Shares. The Fund’s currently outstanding Common Shares are, and the Common Shares offered in this Prospectus will be, listed on the New York Stock Exchange (the “NYSE”) under the symbol “GOF.” The net asset value of the Common Shares at the close of business on September 28, 2012 was \$19.99 per share, and the last sale price of the Common Shares on the NYSE on such date was \$21.97. See “Market and Net Asset Value Information.”

Financial Leverage. The Fund may seek to enhance the level of its current distributions by utilizing financial leverage through the issuance of preferred shares (“Preferred Shares”), through borrowing or the issuance of commercial paper or other forms of debt (“Borrowings”), through reverse repurchase agreements, dollar rolls or similar transactions or through a combination of the foregoing (collectively “Financial Leverage”). The Fund’s total Financial Leverage may vary over time; however, the aggregate amount of Financial Leverage is not currently expected to exceed 33 1 / 3 % of the Fund’s Managed Assets (as defined herein) after such issuance and/or borrowing; however, the Fund may utilize Financial Leverage up to the limits imposed by the Investment Company Act of 1940, as amended. The Fund has entered into a committed facility agreement with BNP Paribas Prime Brokerage, Inc. (“BNP Paribas”) pursuant to which the Fund may borrow up to \$50 million. As of May 31, 2012, outstanding Borrowings under the committed facility agreement were approximately \$30.6 million, which represented approximately 10.5% of the Fund’s Managed Assets as of such date. In addition, as of May 31, 2012, the Fund had reverse repurchase agreements outstanding representing Financial Leverage equal to approximately 18.3% of the Fund’s Managed Assets. As of May 31, 2012, the Fund’s total Financial Leverage represented approximately 28.8% of the Fund’s Managed Assets.

You should read this Prospectus, which contains important information about the Fund, together with any Prospectus Supplement, before deciding whether to invest, and retain it for future reference. A Statement of Additional Information, dated September 28, 2012, containing additional information about the Fund, has been filed with the Securities and Exchange Commission (the “SEC”) and is incorporated by reference in its entirety into this Prospectus. You may request a free copy of the Statement of Additional Information, the table of contents of which is on page 85 of this Prospectus, by calling (800) 345-7999 or by writing to the Investment Adviser at Guggenheim Funds Investment Advisors, LLC, 2455 Corporate West Drive, Lisle, Illinois 60532, or you may obtain a copy (and other information regarding the Fund) from the SEC’s web site (<http://www.sec.gov>). Free copies of the Fund’s reports and its Statement of Additional Information will also be available from the Fund’s web site at www.guggenheimfunds.com/gof. The information contained in, or that can be accessed through, the Fund’s website is not part of this Prospectus.

The Fund’s Common Shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

You should rely only on the information contained or incorporated by reference in this Prospectus. The Fund has not authorized anyone to provide you with different information. The Fund is not making an offer of these securities in any state where the offer is not permitted.

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FORWARD-LOOKING STATEMENTS

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 Fund's plans, strategies, and goals and the Fund's 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.

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PROSPECTUS SUMMARY

This is only a summary of information contained elsewhere in this Prospectus. This summary does not contain all of the information that you should consider before investing in the Fund's Common Shares. You should carefully read the more detailed information contained elsewhere in this Prospectus and any related Prospectus Supplement prior to making an investment in the Fund, especially the information set forth under the headings "Investment Objective and Policies" and "Risks." You may also wish to request a copy of the Fund's Statement of Additional Information, dated September 28, 2012 (the "SAI"), which contains additional information about the Fund.

The Fund

Guggenheim Strategic Opportunities Fund (the "Fund") is a diversified, closed-end management investment company that commenced operations on July 26, 2007. The Fund's objective is to maximize total return through a combination of current income and capital appreciation.

The Fund's common shares of beneficial interest, par value \$0.01 per share, are called "Common Shares" and the holders of Common Shares are called "Common Shareholders" throughout this Prospectus.

Guggenheim Funds Investment Advisors, LLC (the "Investment Adviser") serves as the Fund's investment adviser and is responsible for the management of the Fund. Guggenheim Partners Investment Management, LLC (the "Sub-Adviser") is responsible for the management of the Fund's portfolio of securities. Each of the Investment Adviser and the Sub-Adviser are wholly-owned subsidiaries of Guggenheim Partners, LLC ("Guggenheim Partners").

The Offering

The Fund may offer, from time to time, up to \$55,065,278 aggregate initial offering price of Common Shares, on terms to be determined at the time of the offering. The Fund will offer Common Shares at prices and on terms to be set forth in one or more supplements to this Prospectus (each a "Prospectus Supplement").

The Fund may offer Common Shares (1) directly to one or more purchasers, (2) through agents that the Fund may designate from time to time, or (3) to or through underwriters or dealers. The Prospectus Supplement relating to a particular offering will identify any agents or underwriters involved in the sale of Common Shares, and will set forth any applicable purchase price, fee, commission or discount arrangement between the Fund and agents or underwriters or among underwriters or the basis upon which such amount may be calculated. The Fund may not sell Common Shares through agents, underwriters or dealers without delivery of this Prospectus and a Prospectus Supplement describing the method and terms of the offering of Common Shares. See "Plan of Distribution."

Use of Proceeds

Unless otherwise specified in a Prospectus Supplement, the Fund intends to invest the net proceeds of an offering of Common Shares in accordance with its investment objective and policies as stated herein. It is currently

anticipated that the Fund will be able to invest substantially all of the net proceeds of an offering of Common Shares in accordance with its investment objective and policies within three months after the completion of such offering. Pending such investment, it is anticipated that the proceeds will be invested in U.S. government securities or high quality, short-term money market securities. The Fund may also use the proceeds for working capital

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purposes, including the payment of distributions, interest and operating expenses, although the Fund currently has no intent to issue Common Shares primarily for this purpose.

Investment Objective and Philosophy

The Fund's investment objective is to maximize total return through a combination of current income and capital appreciation. The Fund will pursue a relative value-based investment philosophy, which utilizes quantitative and qualitative analysis to seek to identify securities or spreads between securities that deviate from their perceived fair value and/or historical norms. The Sub-Adviser seeks to combine a credit-managed fixed-income portfolio with access to a diversified pool of alternative investments and equity strategies. The Fund's investment philosophy is predicated upon the belief that thorough research and independent thought are rewarded with performance that has the potential to outperform benchmark indexes with both lower volatility and lower correlation of returns as compared to such benchmark indexes. The Fund cannot ensure investors that it will achieve its investment objective. The Fund's investment objective is considered fundamental and may not be changed without the approval of Common Shareholders. See "Investment Objective and Policies—Investment Philosophy and Investment Process."

Investment Process

The Sub-Adviser's investment process is a collaborative effort between its Portfolio Construction Group, which utilizes tools such as Guggenheim Partners' Dynamic Financial Analysis Model to determine allocation of assets among a variety of sectors, and its Sector Specialists, who are responsible for security selection within these sectors and for implementing securities transactions, including the structuring of certain securities directly with the issuer or with investment banks and dealers involved in the origination of such securities.

Investment Portfolio

The Fund will seek to achieve its investment objective by investing in:

Income Securities. The Fund may invest in a wide range of fixed-income and other debt and senior equity securities ("Income Securities") selected from a variety of sectors and credit qualities. The Fund may invest in Income Securities of any credit quality, including Income Securities rated below-investment grade (commonly referred to as "high-yield" or "junk" bonds), which are considered speculative with respect to the issuer's capacity to pay interest and repay principal. The sectors and types of Income Securities in which the Fund may invest, include, but are not limited to:

- corporate bonds;
- loans and loan participations (including senior secured floating rate loans, "second lien" secured floating rate loans, and other types of secured and unsecured loans with fixed and variable interest rates) (collectively, "Loans");

- structured finance investments (including residential and commercial mortgage-related securities, asset-backed securities, collateralized debt obligations and risk-linked securities);

- U.S. government and agency securities;
- mezzanine and preferred securities; and
- convertible securities.

Common Equity Securities and Covered Call Option Strategy. The Fund may invest in common stocks, limited liability company interests, trust certificates and other equity investments (“Common Equity Securities”) that the Sub-Adviser believes offer attractive yield and/or capital appreciation potential. As part of its Common Equity Securities strategy, the Fund currently intends to employ a strategy of writing (selling) covered call options and may, from time to time, buy or sell put options on individual Common Equity Securities and, to a lesser extent, on indices of securities and sectors of securities. This covered call option strategy is intended to generate current gains from option premiums as a means to enhance distributions payable to the Fund’s Common Shareholders.

Structured Finance Investments. The Fund may invest in structured finance investments, which are Income Securities and Common Equity Securities typically issued by special purpose vehicles that hold income-producing securities (e.g., mortgage loans, consumer debt payment obligations and other receivables) and other financial assets. Structured finance investments are tailored, or packaged, to meet certain financial goals of investors. Typically, these investments provide investors with capital protection, income generation and/or the opportunity to generate capital growth. The Sub-Adviser believes that structured finance investments provide attractive risk-adjusted returns, frequent sector rotation opportunities and prospects for adding value through security selection. Structured finance investments include:

Mortgage-Related Securities. Mortgage-related securities are a form of derivative collateralized by pools of commercial or residential mortgages. Pools of mortgage loans are assembled as securities for sale to investors by various governmental, government-related and private organizations. These securities may include complex instruments such as collateralized mortgage obligations, real estate investment trusts (“REITs”) (including debt and preferred stock issued by REITs), and other real estate-related securities. The mortgage-related securities in which the Fund may invest include those with fixed, floating or variable interest rates, those with interest rates that change based on multiples of changes in a specified index of interest rates, and those with interest rates that change inversely to changes in interest rates, as well as those that do not bear interest. The Fund may invest in residential and commercial mortgage-related securities issued by governmental entities and private issuers, including subordinated mortgage-related securities. The underlying assets of certain mortgage-related securities may be subject to prepayments, which shorten the weighted average maturity and may lower the return of such securities.

Asset-Backed Securities. Asset-backed securities are a form of derivative issued by governmental entities and private issuers which utilizes securitization techniques similar to those used for mortgage-related securities. The collateral for these securities may include home

equity loans, automobile and credit card receivables, boat loans, computer leases, airplane leases, mobile home loans, recreational vehicle loans and hospital account receivables. The Fund may invest in these and other types of asset-backed securities that may be developed in the future. Asset-backed securities are subject to the same risk of prepayment described above with respect to mortgage-related securities. Asset-backed securities may provide the Fund with a less effective security interest in the related collateral than do mortgage-related securities, and thus it is possible that recovery on repossessed collateral might be unavailable or inadequate to support payments on these securities.

Collateralized Debt Obligations. A collateralized debt obligation (“CDO”) is an asset-backed security whose underlying collateral is typically a portfolio of bonds, bank loans, other structured finance securities and/or synthetic instruments. Where the underlying collateral is a portfolio of bonds, a CDO is referred to as a collateralized bond obligation (“CBO”). Where the underlying collateral is a portfolio of bank loans, a CDO is referred to as a collateralized loan obligation (“CLO”). Investors in CDOs bear the credit risk of the underlying collateral. Multiple tranches of securities are issued by the CDO, offering investors various maturity and credit risk characteristics. Tranches are categorized as senior, mezzanine, and subordinated/equity, according to their degree of risk. If there are defaults or the CDO’s collateral otherwise underperforms, scheduled payments to senior tranches take precedence over those of mezzanine tranches, and scheduled payments to mezzanine tranches take precedence over those to subordinated/equity tranches. CDOs are subject to the same risk of prepayment described with respect to certain mortgage-related and asset-backed securities. The value of CDOs may be affected by changes in the market’s perception of the creditworthiness of the servicing agent for the pool, the originator of the pool, or the financial institution or fund providing the credit support or enhancement.

Risk-Linked Securities. Risk-linked securities (“RLS”) are a form of derivative issued by insurance companies and insurance-related special purpose vehicles that apply securitization techniques to catastrophic property and casualty damages. RLS are typically debt obligations for which the return of principal and the payment of interest are contingent on the non-occurrence of a pre-defined “trigger event.” Depending on the specific terms and structure of the RLS, this trigger could be the result of a hurricane, earthquake or some other catastrophic event.

Real Property Asset Companies. The Fund may invest in Income Securities and Common Equity Securities issued by companies that own, produce, refine, process, transport and market “real property assets,” such as real estate and the natural resources upon or within real estate (“Real Property Asset Companies”).

Personal Property Asset Companies. The Fund may invest in Income Securities and Common Equity Securities issued by companies that seek to profit primarily from the ownership, rental, leasing, financing

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or disposition of personal (as opposed to real) property assets (“Personal Property Asset Companies”). Personal (as opposed to real) property includes any tangible, movable property or asset. The Fund will typically seek to invest in Income Securities and Common Equity Securities of Personal Property Asset Companies the investment performance of which is not expected to be highly correlated with traditional market indexes because the personal property asset held by such company is non-correlated with traditional debt or equity markets. Such personal property assets include special situation transportation assets (e.g., railcars, airplanes and ships) and collectibles (e.g., antiques, wine and fine art).

Private Securities. The Fund may invest in privately issued Income Securities and Common Equity Securities of both public and private companies (“Private Securities”). Private Securities have additional risk considerations than comparable public securities, including availability of financial information about the issuer and valuation and liquidity issues.

Investment Funds. As an alternative to holding investments directly, the Fund may also obtain investment exposure to Income Securities and Common Equity Securities by investing in other investment companies, including registered investment companies, private investment funds and/or other pooled investment vehicles (collectively, “Investment Funds”). The Fund may invest up to 30% of its total assets in Investment Funds that primarily hold (directly or indirectly) investments in which the Fund may invest directly, of which amount up to 20% of its total assets may be invested in Investment Funds that are registered as investment companies (“Registered Investment Funds”) under the Investment Company Act of 1940, as amended (the “1940 Act”). As used in this Prospectus, “Private Investment Funds” means privately offered Investment Funds that are excluded from the definition of “investment company” under the 1940 Act, including by operation of Section 3(c)(1) or 3(c)(7) thereof. Such funds may be commonly referred to as “hedge funds” or “private equity funds.” Investments in other Investment Funds involve operating expenses and fees at the Investment Fund level that are in addition to the expenses and fees borne by the Fund and are borne indirectly by holders of the Fund’s Common Shares.

Synthetic Investments. As an alternative to holding investments directly, the Fund may also obtain investment exposure to Income Securities and Common Equity Securities through the use of customized derivative instruments (including swaps, options, forwards, notional principal contracts or other financial instruments) to replicate, modify or replace the economic attributes associated with an investment in Income Securities and Common Equity Securities (including interests in Investment Funds).

Derivative Transactions. The Fund may purchase and sell derivative instruments (which derive their value by reference to another instrument, security or index) for investment purposes, such as obtaining investment

exposure to an investment category; risk management purposes, such as hedging against fluctuations in

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securities prices or interest rates; diversification purposes; or to change the duration of the Fund. In order to help protect the soundness of derivative transactions and outstanding derivative positions, the Sub- Adviser generally requires derivative counterparties to have a minimum credit rating of A from Moody's Investors Service (or a comparable rating from another rating agency) and monitors such rating on an ongoing basis. In addition, the Sub-Adviser seeks to allocate derivative transactions to limit exposure to any single counterparty. The Fund has not adopted a maximum percentage limit with respect to derivative investments. However, the maximum level of and types of derivative transactions used by the Fund will be approved by the Board of Trustees and the Board of Trustees will receive regular reports from the Investment Adviser and the Sub-Adviser regarding the Fund's use of derivative instruments and the effect of derivative transactions on the management of the Fund's portfolio and the performance of the Fund.

Investment Policies

The Fund may allocate its assets among a wide variety of Income Securities and Common Equity Securities, provided that, under normal market conditions, the Fund will not invest more than:

- 60% of its total assets in Income Securities rated below- investment grade;
- 50% of its total assets in Common Equity Securities consisting of common stock;
- 30% of its total assets in Investment Funds;
- 20% of its total assets in non-U.S. dollar-denominated Income Securities of corporate and governmental issuers located outside the United States; and
- 10% of its total assets in Income Securities of issuers in emerging markets.

The percentage of the Fund's total assets allocated to any category of investment may at any given time be significantly less than the maximum percentage permitted pursuant to the above referenced investment policies.

Unless otherwise stated in this Prospectus or the SAI, the Fund's investment policies are considered non-fundamental and may be changed by the Board of Trustees of the Fund (the "Board of Trustees") without Common Shareholder approval. The Fund will provide investors with at least 60 days' prior written notice of any change in the Fund's investment policies. See "Investment Objective and Policies" in this Prospectus and in the SAI.

Financial Leverage

The Fund may seek to enhance the level of its current distributions by utilizing financial leverage through the issuance of preferred shares ("Preferred Shares"), through borrowing or the issuance of commercial paper or other forms of debt ("Borrowings"), through reverse repurchase agreements,

dollar rolls or similar transactions or through a combination of the foregoing (collectively “Financial Leverage”). The Fund’s total Financial Leverage may vary over time; however, the aggregate amount of Financial Leverage is not expected to exceed 33 1/3% of the Fund’s Managed Assets (as defined herein) after such

issuance and/or borrowing; however, the Fund may utilize Financial Leverage up to the limits imposed by the 1940 Act. The Fund may also borrow in excess of such limit for temporary purposes such as the settlement of transactions.

The Fund has entered into a committed facility agreement with BNP Paribas Prime Brokerage, Inc. (“BNP Paribas”) pursuant to which the Fund may borrow up to \$50 million. As of May 31, 2012, outstanding Borrowings under the committed facility agreement were approximately \$30.6 million, which represented approximately 10.5% of the Fund’s Managed Assets as of such date. In addition, as of May 31, 2012, the Fund had reverse repurchase agreements outstanding representing Financial Leverage equal to approximately 18.3% of the Fund’s Managed Assets. As of May 31, 2012, the Fund’s total Financial Leverage represented approximately 28.8% of the Fund’s Managed Assets.