

Guggenheim Credit Allocation Fund  
Form N-Q  
April 29, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-22715

Guggenheim Credit Allocation Fund  
(Exact name of registrant as specified in charter)

227 West Monroe Street, Chicago, IL 60606  
(Address of principal executive offices) (Zip code)

Amy J. Lee

227 West Monroe Street, Chicago, IL 60606  
(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 827-0100

Date of fiscal year end: May 31

Date of reporting period: December 1, 2014 – February 28, 2015

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Item 1. Schedule of Investments.  
Attached hereto.

Guggenheim Credit Allocation Fund  
SCHEDULE OF INVESTMENTS (Unaudited)

February 28, 2015

|   | Shares      | Value       |
|---|-------------|-------------|
| <b>COMMON STOCKS† - 1.7%</b>                        |             |             |
| Consumer Discretionary - 1.4%                       |             |             |
| Travelport, LLC*                                    | 91,725      | \$1,452,925 |
| Travelport, LLC*                                    | 33,065      | 527,056     |
| Total Consumer Discretionary                        |             | 1,979,981   |
| Basic Materials - 0.2%                              |             |             |
| Mirabela Nickel Ltd.*                               | 4,839,202   | 321,416     |
|   | AUD         |             |
| Industrial - 0.1%                                   |             |             |
| Project Silverback Holdings*,†††,1                  | 228         | 227,700     |
| Project Silverback Holdings*,†††,1                  | 94,522      | 1,890       |
| Total Industrial                                    |             | 229,590     |
| Total Common Stocks                                 |             |             |
| (Cost \$4,164,463)                                  |             | 2,530,987   |
| <b>PREFERRED STOCKS† - 4.1%</b>                     |             |             |
| Financial - 2.7%                                    |             |             |
| Morgan Stanley 6.38% <sup>2,3</sup>                 | 80,000      | 2,099,200   |
| Kemper Corp. 7.38%                                  | 72,000      | 1,918,800   |
| Total Financial                                     |             | 4,018,000   |
| Industrial - 1.4%                                   |             |             |
| Seaspan Corp. 6.38%                                 | 88,000      | 2,208,800   |
| Total Preferred Stocks                              |             |             |
| (Cost \$6,009,518)                                  |             | 6,226,800   |
| <b>MONEY MARKET FUND† - 0.9%</b>                    |             |             |
| Dreyfus Treasury Prime Cash Management Fund         | 1,424,267   | 1,424,267   |
| Total Short Term Investments                        |             |             |
| (Cost \$1,424,267)                                  |             | 1,424,267   |
|   | Face        | Value       |
|   | Amount~     |             |
| <b>CORPORATE BONDS†† - 70.7%</b>                    |             |             |
| Energy - 14.1%                                      |             |             |
| Atlas Energy Holdings Operating Company LLC / Atlas |             |             |
| Resource Finance Corp.                              |             |             |
| 9.25% due 08/15/21                                  | \$2,075,000 | \$1,618,500 |
| 7.75% due 01/15/214                                 | 2,051,000   | 1,558,760   |
| ContourGlobal Power Holdings S.A.                   |             |             |
| 7.12% due 06/01/195                                 | 3,000,000   | 3,030,000   |
| BreitBurn Energy Partners Limited Partnership /     |             |             |
| BreitBurn Finance Corp.                             |             |             |
| 7.87% due 04/15/22                                  | 3,000,000   | 2,370,000   |

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|  |                 |            |
|--|-----------------|------------|
| Endeavor Energy Resources. LP / EER Finance, Inc.<br>7.00% due 08/15/215                         | 2,250,000       | 2,182,499  |
| Atlas Pipeline Partners Limited Partnership / Atlas Pipeline Finance Corp.<br>5.87% due 08/01/23 | 2,000,000       | 2,020,000  |
| Keane Group Holdings LLC<br>8.50% due 08/08/19†††,1  | 1,590,000       | 1,474,725  |
| FTS International, Inc.<br>6.25% due 05/01/225   | 1,675,000       | 1,314,875  |
| Precision Drilling Corp.<br>5.25% due 11/15/245  | 1,200,000       | 1,020,000  |
| Sabine Pass Liquefaction LLC<br>5.62% due 03/01/255  | 1,000,000       | 1,005,000  |
|  | Face<br>Amount~ | Value      |
| CORPORATE BONDS†† - 70.7% (continued)  |                 |            |
| Energy - 14.1% (continued)   |                 |            |
| Legacy Reserves Limited Partnership / Legacy Reserves Finance Corp.<br>6.62% due 12/01/21        | \$1,000,000     | \$805,000  |
| Northern Oil and Gas, Inc.<br>8.00% due 06/01/20   | 850,000         | 782,000    |
| TerraForm Power Operating LLC<br>5.87% due 02/01/235   | 700,000         | 728,000    |
| Odebrecht Offshore Drilling Finance Ltd.<br>6.62% due 10/01/225                                  | 866,160         | 666,943    |
| Ultra Resources, Inc.<br>4.66% due 10/12/22†††   | 700,000         | 561,470    |
| Schahin II Finance Company SPV Ltd.<br>5.87% due 09/25/224,5                                     | 809,400         | 487,664    |
| IronGate Energy Services LLC<br>11.00% due 07/01/184,5   | 240,000         | 156,000    |
| Total Energy<br>Consumer, Non-cyclical - 13.4%   |                 | 21,781,436 |
| Central Garden and Pet Co.<br>8.25% due 03/01/184  | 3,700,000       | 3,783,249  |
| Opal Acquisition, Inc.<br>8.87% due 12/15/214,5  | 3,400,000       | 3,510,500  |
| KeHE Distributors LLC / KeHE Finance Corp.<br>7.62% due 08/15/215                                | 2,900,000       | 3,095,750  |
| Vector Group Ltd.<br>7.75% due 02/15/21  | 2,731,000       | 2,915,343  |
| American Seafoods Group LLC / American Seafoods Finance, Inc.<br>10.75% due 05/15/165            | 2,200,000       | 2,035,000  |
| ADT Corp.<br>6.25% due 10/15/21  | 1,700,000       | 1,840,250  |
| Physio-Control International, Inc.<br>9.87% due 01/15/195  | 1,500,000       | 1,601,250  |

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|   |               |            |
|---|---------------|------------|
| Midas Intermediate Holdco II LLC / Midas Intermediate Holdco II Finance, Inc. |               |            |
| 7.87% due 10/01/225   | 1,550,000     | 1,503,500  |
| Nathan's Famous, Inc.   |               |            |
| 10.00% due 03/15/205  | 350,000       | 350,000    |
| Total Consumer, Non-cyclical Communications - 11.3%                           |               | 20,634,842 |
| SITEL LLC / Sitel Finance Corp.   |               |            |
| 11.00% due 08/01/174,5  | 3,550,000     | 3,683,124  |
| WMG Acquisition Corp.   |               |            |
| 6.75% due 04/15/225   | 3,500,000     | 3,325,000  |
| Avaya, Inc.   |               |            |
| 7.00% due 04/01/195   | 3,100,000     | 3,131,000  |
| Alcatel-Lucent USA, Inc.  |               |            |
| 8.87% due 01/01/205   | 2,400,000     | 2,652,000  |
| Virgin Media Finance plc  |               |            |
| 6.37% due 10/15/245   | 1,000,000 GBP | 1,694,327  |
| Sirius XM Radio, Inc.   |               |            |
| 6.00% due 07/15/245   | 1,050,000     | 1,115,625  |

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Guggenheim Credit Allocation Fund  
SCHEDULE OF INVESTMENTS (Unaudited)

February 28, 2015

|  | Face<br>Amount~ | Value             |
|--|-----------------|-------------------|
| <b>CORPORATE BONDS†† - 70.7% (continued)</b>             |                 |                   |
| <b>Communications - 11.3% (continued)</b>                |                 |                   |
| <b>Sprint Corp.</b>                                      |                 |                   |
| 7.62% due 02/15/25                                       | \$1,000,000     | \$1,010,000       |
| <b>Cogent Communications Group, Inc.</b>                 |                 |                   |
| 5.37% due 03/01/225                                      | 600,000         | 603,000           |
| <b>Expo Event Transco, Inc.</b>                          |                 |                   |
| 9.00% due 06/15/214,5                                    | 110,000         | 113,025           |
| <b>Total Communications</b>                              |                 | <b>17,327,101</b> |
| <b>Financial - 10.0%</b>                                 |                 |                   |
| <b>Harbinger Group, Inc.</b>                             |                 |                   |
| 7.87% due 07/15/19                                       | 3,000,000       | 3,202,499         |
| 7.75% due 01/15/224,5                                    | 1,100,000       | 1,115,125         |
| <b>Jefferies Finance LLC / JFIN Company-Issuer Corp.</b> |                 |                   |
| 7.50% due 04/15/215                                      | 2,150,000       | 2,123,125         |
| 7.37% due 04/01/205                                      | 1,200,000       | 1,188,000         |
| <b>Majid AL Futtaim Holding</b>                          |                 |                   |
| 7.12% due 12/31/49                                       | 1,500,000       | 1,623,750         |
| <b>Bank of America Corp.</b>                             |                 |                   |
| 6.25% <sup>2,3</sup>                                     | 1,000,000       | 1,028,750         |
| 6.50% <sup>2,3,4</sup>                                   | 500,000         | 529,844           |
| <b>HSBC Holdings plc</b>                                 |                 |                   |
| 6.37% <sup>2,3</sup>                                     | 1,150,000       | 1,182,487         |
| <b>Citigroup, Inc.</b>                                   |                 |                   |
| 6.30% <sup>2,3</sup>                                     | 1,100,000       | 1,120,625         |
| <b>Lock AS</b>   |                 |                   |
| 7.00% due 08/15/21                                       | 600,000 EUR     | 710,010           |
| <b>Prosight Global Inc.</b>                              |                 |                   |
| 7.50% due 11/26/20†††                                    | 650,000         | 672,100           |
| <b>Greystar Real Estate Partners LLC</b>                 |                 |                   |
| 8.25% due 12/01/224,5                                    | 400,000         | 416,000           |
| <b>Cabot Financial Luxembourg S.A.</b>                   |                 |                   |
| 6.50% due 04/01/215                                      | 250,000 GBP     | 360,479           |
| <b>Total Financial</b>                                   |                 | <b>15,272,794</b> |
| <b>Consumer, Cyclical - 7.7%</b>                         |                 |                   |
| <b>GRD Holdings III Corp.</b>                            |                 |                   |
| 10.75% due 06/01/194,5                                   | 3,200,000       | 3,479,999         |
| <b>Checkers Drive-In Restaurants, Inc.</b>               |                 |                   |
| 11.00% due 12/01/174,5                                   | 2,400,000       | 2,610,000         |
| <b>Petco Animal Supplies, Inc.</b>                       |                 |                   |
| 9.25% due 12/01/185                                      | 1,375,000       | 1,440,313         |

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Ferrellgas Limited Partnership / Ferrellgas Finance Corp.

|                           |         |         |
|---------------------------|---------|---------|
| 6.50% due 05/01/21        | 750,000 | 751,875 |
| 6.75% due 01/15/22        | 200,000 | 202,000 |
| Family Tree Escrow LLC    |         |         |
| 5.75% due 03/01/235       | 400,000 | 421,000 |
| 5.25% due 03/01/205       | 400,000 | 418,000 |
| Guitar Center, Inc.       |         |         |
| 6.50% due 04/15/194,5     | 885,000 | 750,038 |
| Argos Merger Sub, Inc.    |         |         |
| 7.12% due 03/15/235       | 650,000 | 672,750 |
| Bumble Bee Holdings, Inc. |         |         |
| 9.00% due 12/15/175       | 600,000 | 629,250 |
| Men's Wearhouse, Inc.     |         |         |
| 7.00% due 07/01/225       | 200,000 | 210,500 |

|   | Face Amount~  | Value      |
|---|---------------|------------|
| CORPORATE BONDS†† - 70.7% (continued)                         |               |            |
| Consumer, Cyclical - 7.7% (continued)                         |               |            |
| R&R Ice Cream plc   |               |            |
| 8.25% due 05/15/205   | \$200,000 AUD | \$153,107  |
| Total Consumer, Cyclical                                      |               | 11,738,832 |
| Technology - 6.8%   |               |            |
| Eagle Midco, Inc.   |               |            |
| 9.00% due 06/15/184,5   | 3,000,000     | 3,045,000  |
| Aspect Software, Inc.   |               |            |
| 10.62% due 05/15/174  | 3,200,000     | 2,920,000  |
| First Data Corp.  |               |            |
| 8.75% due 01/15/225, 6  | 2,500,000     | 2,700,000  |
| Infor US, Inc.  |               |            |
| 9.37% due 04/01/19  | 1,625,000     | 1,744,844  |
| Total Technology  |               | 10,409,844 |
| Industrial - 4.2%   |               |            |
| CEVA Group plc  |               |            |
| 7.00% due 03/01/215   | 2,000,000     | 1,920,000  |
| Deutsche Raststatten  |               |            |
| 6.75% due 12/30/20  | 1,300,000 EUR | 1,585,632  |
| Unifrax I LLC / Unifrax Holding Co.                           |               |            |
| 7.50% due 02/15/194,5   | 1,401,000     | 1,415,010  |
| LMI Aerospace, Inc.   |               |            |
| 7.37% due 07/15/195   | 1,000,000     | 1,002,500  |
| Princess Juliana International Airport Operating Company N.V. |               |            |
| 5.50% due 12/20/274,5   | 454,518       | 461,336    |
| Total Industrial  |               | 6,384,478  |
| Basic Materials - 3.2%  |               |            |
| TPC Group, Inc.   |               |            |
| 8.75% due 12/15/205   | 2,325,000     | 2,133,188  |
| Mirabela Nickel Ltd.  |               |            |
| 9.50% due 06/24/19†††,1                                       | 1,113,492     | 1,113,492  |

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|  |               |             |
|--|---------------|-------------|
| KGHM International Ltd.                  |               |             |
| 7.75% due 06/15/195                      | 1,000,000     | 1,032,500   |
| Eldorado Gold Corp.                      |               |             |
| 6.12% due 12/15/205                      | 600,000       | 590,325     |
| Total Basic Materials                    |               | 4,869,505   |
| Total Corporate Bonds                    |               |             |
| (Cost \$110,609,844)                     |               | 108,418,832 |
| SENIOR FLOATING RATE INTERESTS†† - 51.7% |               |             |
| Industrial - 14.5%                       |               |             |
| Ursa Insulation B.V.                     |               |             |
| 5.08% due 04/26/21†††,1,4                | 1,469,289 EUR | 1,580,022   |
| 7.75% due 04/26/20†††,1,4                | 1,250,000 EUR | 1,398,758   |
| Total Safety U.S., Inc.                  |               |             |
| 9.25% due 09/13/204                      | 3,000,000     | 2,827,499   |
| Flakt Woods                              |               |             |
| 4.75% due 03/20/17†††,1,4                | 2,488,767 EUR | 2,726,740   |
| Mitchell International, Inc.             |               |             |
| 8.50% due 10/11/214                      | 2,350,000     | 2,320,131   |
| Doncasters Group Ltd.                    |               |             |
| 9.50% due 10/09/204                      | 2,206,897     | 2,184,828   |
| NVA Holdings, Inc.                       |               |             |
| 8.00% due 08/14/224                      | 1,650,000     | 1,641,750   |
| AlliedBarton Security Services LLC       |               |             |
| 8.00% due 08/13/214                      | 1,452,055     | 1,446,000   |

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Guggenheim Credit Allocation Fund  
SCHEDULE OF INVESTMENTS (Unaudited)

February 28, 2015

|   | Face<br>Amount~ | Value             |
|---|-----------------|-------------------|
| <b>SENIOR FLOATING RATE INTERESTS†† - 51.7% (continued)</b> |                 |                   |
| <b>Industrial - 14.5% (continued)</b>                       |                 |                   |
| NaNa Development Corp.                                      |                 |                   |
| 8.00% due 03/15/184   | \$1,503,922     | \$1,443,765       |
| Camp Systems International                                  |                 |                   |
| 8.25% due 11/29/194   | 1,000,000       | 993,750           |
| HBC Hardware Holdings                                       |                 |                   |
| 6.75% due 03/30/204   | 997,500         | 967,575           |
| Ranpak  |                 |                   |
| 8.25% due 10/03/224   | 900,000         | 893,250           |
| Wencor Group  |                 |                   |
| 7.75% due 06/19/224   | 900,000         | 873,000           |
| API Technologies Corp.                                      |                 |                   |
| 9.00% due 02/06/18†††,1,4                                   | 587,511         | 582,929           |
| Hillman Group, Inc.   |                 |                   |
| 1.29% due 06/13/194   | 192,857         | 174,481           |
| Omnitracs, Inc.   |                 |                   |
| 8.75% due 05/25/214   | 150,000         | 146,250           |
| <b>Total Industrial</b>                                     |                 | <b>22,200,728</b> |
| <b>Technology - 11.5%</b>                                   |                 |                   |
| Greenway Medical Technologies                               |                 |                   |
| 9.25% due 11/04/214   | 2,200,000       | 2,145,000         |
| 6.00% due 11/04/204   | 1,980,000       | 1,970,100         |
| LANDesk Group, Inc.   |                 |                   |
| 5.00% due 02/25/204   | 3,950,150       | 3,950,150         |
| TIBCO Software, Inc.  |                 |                   |
| 6.50% due 12/04/204   | 2,700,000       | 2,689,038         |
| Advanced Computer Software                                  |                 |                   |
| 10.50% due 01/31/234  | 1,600,000       | 1,536,000         |
| 6.50% due 01/31/224   | 900,000         | 882,000           |
| Aspect Software, Inc.                                       |                 |                   |
| 7.25% due 05/07/164   | 1,850,000       | 1,813,000         |
| Sparta Holding Corp.  |                 |                   |
| 7.50% due 07/28/20†††,1,4                                   | 1,795,500       | 1,779,161         |
| Lantiq Deutschland GmbH                                     |                 |                   |
| 11.00% due 11/16/154  | 448,879         | 444,390           |
| GOGO LLC  |                 |                   |
| 7.50% due 03/21/184   | 358,768         | 344,417           |
| <b>Total Technology</b>                                     |                 | <b>17,553,256</b> |
| <b>Consumer, Non-cyclical - 8.1%</b>                        |                 |                   |
| CTI Foods Holding Co. LLC                                   |                 |                   |
| 8.25% due 06/28/214   | 4,000,000       | 3,940,000         |
| Reddy Ice Holdings, Inc.                                    |                 |                   |
| 10.75% due 10/01/194  | 4,000,000       | 3,040,000         |



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|  |               |            |
|--|---------------|------------|
| Performance Food Group                               |               |            |
| 6.25% due 11/14/194                                  | 1,700,000     | 1,700,000  |
| Arctic Glacier Holdings, Inc.                        |               |            |
| 6.00% due 05/10/194                                  | 1,441,783     | 1,427,365  |
| AdvancePierre Foods, Inc.                            |               |            |
| 9.50% due 10/10/174                                  | 1,332,000     | 1,318,680  |
| Pelican Products, Inc.                               |               |            |
| 9.25% due 04/09/214                                  | 550,000       | 541,750    |
| Targus Group International, Inc.                     |               |            |
| 14.01% due 05/24/164                                 | 559,924       | 443,740    |
|  | Face          |            |
|  | Amount~       | Value      |
| SENIOR FLOATING RATE INTERESTS†† - 51.7% (continued) |               |            |
| Consumer, Non-cyclical - 8.1% (continued)            |               |            |
| Phillips-Medsize Corp.                               |               |            |
| 0.50% due 06/13/194                                  | \$15,714      | \$13,986   |
| Total Consumer, Non-cyclical                         |               | 12,425,521 |
| Communications - 4.4%                                |               |            |
| Cengage Learning Acquisitions, Inc.                  |               |            |
| 7.00% due 03/31/204                                  | 3,391,360     | 3,390,512  |
| Anaren, Inc.   |               |            |
| 9.25% due 08/18/214                                  | 2,200,000     | 2,178,000  |
| GOGO LLC   |               |            |
| 11.25% due 03/21/184                                 | 1,113,228     | 1,135,492  |
| Max Broadcast Group LLC                              |               |            |
| 6.25% due 03/31/16†††,1,4                            | 14,868        | 14,661     |
| Total Communications                                 |               | 6,718,665  |
| Consumer, Cyclical - 4.2%                            |               |            |
| Sky Bet Cyan Blue HoldCo                             |               |            |
| 6.50% due 02/25/224                                  | 1,500,000 GBP | 2,295,446  |
| Sears Holdings Corp.                                 |               |            |
| 5.50% due 06/30/184                                  | 1,994,949     | 1,962,532  |
| ABRA Auto Body                                       |               |            |
| 8.25% due 09/19/224                                  | 1,600,000     | 1,600,000  |
| DLK Acquisitions BV                                  |               |            |
| 8.50% due 08/28/19†††,1,4                            | 400,000 EUR   | 394,606    |
| 4.41% due 02/28/19†††,1,4                            | 250,000 EUR   | 259,609    |
| Total Consumer, Cyclical                             |               | 6,512,193  |
| Energy - 3.0%  |               |            |
| Panda Temple II Power                                |               |            |
| 7.25% due 04/03/194                                  | 3,000,000     | 2,940,000  |
| Cactus Wellhead                                      |               |            |
| 7.00% due 07/31/204                                  | 1,396,500     | 1,047,375  |
| Magnum Hunter Resources                              |               |            |
| 8.50% due 10/22/194                                  | 568,575       | 557,204    |
| Total Energy   |               | 4,544,579  |
| Financial - 2.5%                                     |               |            |
| Intertrust Group                                     |               |            |
| 8.00% due 04/11/224                                  | 2,200,000     | 2,185,326  |
| Expert Global Solutions                              |               |            |

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|                                    |           |           |
|------------------------------------|-----------|-----------|
| 8.51% due 04/03/184                | 1,020,404 | 1,019,129 |
| National Financial Partners        |           |           |
| 3.50% due 07/01/184                | 611,111   | 553,695   |
| Total Financial                    |           | 3,758,150 |
| Basic Materials - 2.4%             |           |           |
| Royal Adhesives and Sealants       |           |           |
| 5.50% due 07/31/184                | 2,515,942 | 2,520,672 |
| Ennis Flint Road Infrastructure    |           |           |
| 7.75% due 09/30/214                | 960,000   | 854,400   |
| Noranda Aluminum Acquisition Corp. |           |           |
| 5.75% due 02/28/194                | 398,974   | 375,367   |
| Total Basic Materials              |           | 3,750,439 |
| Transportation - 1.1%              |           |           |
| OneSky                             |           |           |
| 15.00% due 06/03/194               | 500,000   | 515,000   |
| Ceva Logistics US Holdings         |           |           |
| 6.50% due 03/19/214                | 508,473   | 469,702   |

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SCHEDULE OF INVESTMENTS (Unaudited)

February 28, 2015

|  | Face<br>Amount~ | Value      |
|--|-----------------|------------|
| <b>SENIOR FLOATING RATE INTERESTS†† - 51.7% (continued)</b>          |                 |            |
| Transportation - 1.1% (continued)                                    |                 |            |
| Ceva Group Plc (United Kingdom)                                      |                 |            |
| 6.50% due 03/19/214  | \$352,217       | \$325,360  |
| 0.95% due 03/19/194  | 60,000          | 50,077     |
| Ceva Logistics Holdings BV (Dutch)                                   |                 |            |
| 6.50% due 03/19/214  | 368,643         | 340,534    |
| Ceva Logistics Canada, ULC   |                 |            |
| 6.50% due 03/19/214  | 63,559          | 58,713     |
| Total Transportation   |                 | 1,759,386  |
| Total Senior Floating Rate Interests<br>(Cost \$79,149,046)          |                 | 79,222,917 |
| <b>ASSET BACKED SECURITIES†† - 12.1%</b>                             |                 |            |
| Structured Asset Securities Corporation Mortgage Loan Trust 2006-BC6 |                 |            |
| 2006-BC6, 0.34% due 01/25/372,4                                      | 2,000,000       | 1,673,545  |
| Newstar Commercial Loan Funding 2013-1 LLC                           |                 |            |
| 2013-1A, 5.54% due 09/20/232,4,5                                     | 1,500,000       | 1,482,000  |
| Emerald Aviation Finance Ltd.  |                 |            |
| 2013-1, 6.35% due 10/15/384,5,7                                      | 1,375,000       | 1,395,625  |
| Castlelake Aircraft Securitization Trust 2014-1                      |                 |            |
| 2014-1, 5.25% due 02/15/29   | 720,714         | 712,931    |
| 2014-1, 7.50% due 02/15/29   | 551,134         | 550,473    |
| Monroe Capital CLO 2014-1 Ltd.                                       |                 |            |
| 2014-1A, 4.99% due 10/22/262,4,5                                     | 1,000,000       | 995,700    |
| AASET  |                 |            |
| 2014-1, 7.37% due 12/15/292  | 987,180         | 987,180    |
| COA Summit CLO Limited 2014-1  |                 |            |
| 2014-1A, 4.10% due 04/20/232,4,5                                     | 1,000,000       | 981,500    |
| Duane Street CLO IV Ltd.   |                 |            |
| 2007-4A, 2.50% due 11/14/212,4,5                                     | 1,000,000       | 963,999    |
| RAIT CRE CDO I Ltd.  |                 |            |
| 2006-1X, 0.50% due 11/20/46  | 1,044,737       | 957,711    |
| GSAA Home Equity Trust 2006-18                                       |                 |            |
| 2006-18, 6.00% due 11/25/364,7                                       | 1,322,568       | 891,410    |
| KKR Financial CLO Ltd.   |                 |            |
| 2007-1X, 5.25% due 05/15/214   | 750,000         | 747,825    |
|  | Face<br>Amount~ | Value      |
| <b>ASSET BACKED SECURITIES†† - 12.1% (continued)</b>                 |                 |            |
| Babson CLO Limited 2012-II   |                 |            |
| 2012-2A, 0.00% due 05/15/235,8                                       | \$1,000,000     | \$720,900  |
| NewStar Arlington Senior Loan Program LLC                            |                 |            |
| 2014-1A, 4.47% due 07/25/252,4,5                                     | 750,000         | 697,875    |

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|   |           |               |
|---|-----------|---------------|
| Cent CLO 16, LP   |           |               |
| 2014-16AR, 4.75% due 08/01/242,4,5  | 500,000   | 500,000       |
| KKR Financial CLO 2007-1 Ltd.   |           |               |
| 2007-1A, 5.25% due 05/15/212,4,5  | 500,000   | 498,550       |
| NXT Capital CLO 2013-1 LLC  |           |               |
| 2013-1A, 4.41% due 04/25/242,4,5  | 500,000   | 496,850       |
| Highbridge Loan Management 2012-1 Ltd.  |           |               |
| 2014-1AR, 4.49% due 09/20/222,4,5   | 500,000   | 496,600       |
| Salus CLO Ltd.  |           |               |
| 2013-1AN, 6.98% due 03/05/212,4,5   | 500,000   | 495,000       |
| Fortress Credit Opportunities V CLO Ltd.  |           |               |
| 2014-5A, 5.13% due 10/15/262,4,5  | 500,000   | 482,050       |
| Cerberus Onshore II CLO-2 LLC   |           |               |
| 2014-1A, 4.43% due 10/15/232,4,5  | 500,000   | 477,200       |
| Cerberus Onshore II CLO LLC   |           |               |
| 2014-1A, 4.25% due 10/15/232,4,5  | 500,000   | 473,200       |
| Rise Ltd.   |           |               |
| 2014-1AB, 6.50% due 02/12/394   | 468,750   | 472,266       |
| Turbine Engines Securitization Ltd.   |           |               |
| 2013-1A, 6.37% due 12/13/484,5  | 354,785   | 360,107       |
| Total Asset Backed Securities   |           |               |
| (Cost \$18,468,733)   |           | 18,510,497    |
| MORTGAGE BACKED SECURITIES <sup>††</sup> - 1.5%                                     |           |               |
| SRERS-2011 Funding Ltd.   |           |               |
| 2011-RS,0.41% due 05/09/462,4,5   | 2,097,211 | 1,995,707     |
| Washington Mutual Mortgage Pass-Through Certificates WMALT Series 2006-8 Trust      |           |               |
| 2006-8,4.82% due 10/25/364,7  | 520,088   | 375,133       |
| Total Mortgage Backed Securities  |           |               |
| (Cost \$2,237,926)  |           | 2,370,840     |
| Total Investments - 142.7%  |           |               |
| (Cost \$222,063,797)  |           | \$218,705,140 |
| Reverse Repurchase Agreements – (38.7% of Net Assets or 27.1% of Total Investments) |           | (59,260,311)  |
| Other Assets & Liabilities, net - (4.0)%  |           | (6,191,487)   |
| Total Net Assets - 100.0%   |           | \$153,253,342 |

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Guggenheim Credit Allocation Fund  
SCHEDULE OF INVESTMENTS (Unaudited)

February 28, 2015

~The face amount is denominated in U.S. Dollars unless otherwise indicated.

\*Non-income producing security.

†Value determined based on Level 1 inputs, unless otherwise noted – See Note 2.

††Value determined based on Level 2 inputs, unless otherwise noted – See Note 2.

†††Value determined based on Level 3 inputs – See Note 2.

1Security was fair valued by the Valuation Committee at February 28, 2015. The total market value of fair valued securities amounts to \$12,787,863 (cost \$14,114,188) or 8.3% of total net assets.

2Variable rate security. Rate indicated is rate effective at February 28, 2015.

3Perpetual maturity.

4All or a portion of these securities have been physically segregated in connection with reverse repurchase agreements and unfunded loan commitments. As of February 28, 2015, the total amount segregated was \$103,817,778.

5Security is a 144A or Section 4(a)(2) security. The total market value of 144A or Section 4(a)(2) securities is \$82,804,490 (cost \$83,482,424), or 54.0% of total net assets. These securities have been determined to be liquid under guidelines established by the Board of Trustees.

6Paid-in-kind toggle note. This issuer in each interest period has the option to pay interest in cash or to issue payment-in-kind shares of the note.

7Security is a step up/step down bond. The coupon increases or decreases at regular intervals until the bond reaches full maturity.

8Zero coupon rate security.

plc Public Limited Company

REIT Real Estate Investment Trust

At February 28, 2015, the Fund had the following unfunded loan commitments which could be extended at the option of the borrower:

| Borrower                     | Expiration Date | Principal Amount | Unrealized Appreciation |
|------------------------------|-----------------|------------------|-------------------------|
| Acosta, Inc.                 | 09/26/2019      | \$ 1,111,111     | \$ -                    |
| Acosta, Inc.                 | 09/26/2019      | 888,889          | -                       |
| Advantage Sales and Market   | 07/21/2019      | 900,000          | 14,721                  |
| American Stock Transfer      | 06/11/2018      | 400,000          | 16,343                  |
| BBB Industries, LLC          | 10/17/2019      | 1,100,000        | -                       |
| CEVA Group plc               | 03/19/2019      | 440,000          | 15,232                  |
| Eyemart Express              | 12/18/2019      | 1,000,000        | 4,857                   |
| Hillman Group, Inc.          | 06/13/2019      | 707,143          | 10,406                  |
| IntraWest Holdings S.A.R.    | 12/10/2018      | 1,100,000        | 10,790                  |
| Learning Care Group          | 05/05/2021      | 500,000          | -                       |
| McGraw-Hill Global Education | 03/22/2018      | 1,000,000        | 19,326                  |
| National Financial Partners  | 07/01/2018      | 444,444          | 36,486                  |
| Phillips-Medsize Corp.       | 06/13/2019      | 1,060,714        | 17,739                  |
| Pro Mach Group Inc.          | 10/22/2019      | 650,000          | 5,188                   |
| Rite Aid Corporation         | 08/10/2015      | 500,000          | -                       |

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|                          |            |           |         |
|--------------------------|------------|-----------|---------|
| SS&C Technologies, Inc.  | 02/27/2016 | 700,000   | -       |
| Signode Industrial Group | 05/01/2019 | 1,050,000 | 5,590   |
| Signode Industrial Group | 05/01/2019 | 350,000   | 16,771  |
| Wencor Jazz              | 06/19/2019 | 500,000   | 7,055   |
|                          |            | \$        | 180,504 |

At February 28, 2015, the following forward exchange currency contracts were outstanding:

| Contracts to Sell   | Counterparty                | Settlement Date | Settlement Value | Value at 2/28/15 | Net Unrealized Appreciation (Depreciation) |
|---|-----------------------------|-----------------|------------------|------------------|--|
| AUD 840,000   |                             |                 |                  |                  |  |
| for USD 653,243   | The Bank of New York Mellon | 03/06/2015      | \$ 653,243       | \$ 656,148       | \$ (2,905)                                 |
| EUR 7,800,000   |                             |                 |                  |                  |  |
| for USD 8,913,060   | The Bank of New York Mellon | 03/06/2015      | 8,913,060        | 8,729,520        | 183,540                                    |
| GBP 2,500,000   |                             |                 |                  |                  |  |
| for USD 3,821,950   | The Bank of New York Mellon | 03/06/2015      | 3,821,950        | 3,859,693        | (37,743)                                   |
| Total unrealized appreciation for forward exchange currency contracts |                             |                 |                  |                  | \$ 142,892                                 |

| Contracts to Buy  | Counterparty                | Settlement Date | Settlement Value | Value at 2/28/15 | Net Unrealized Appreciation (Depreciation) |
|---|-----------------------------|-----------------|------------------|------------------|--|
| AUD 200,000   |                             |                 |                  |                  |  |
| for USD 155,670   | The Bank of New York Mellon | 03/06/2015      | \$ 155,670       | \$ 156,226       | \$ 556                                     |
| GBP 1,200,000   |                             |                 |                  |                  |  |
| for USD 1,840,152   | The Bank of New York Mellon | 03/06/2015      | 1,840,152        | 1,852,652        | 12,500                                     |
| Total unrealized appreciation for forward exchange currency contracts |                             |                 |                  |                  | \$ 13,056                                  |

NOTES TO SCHEDULE OF INVESTMENTS (Unaudited)

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For information on the Guggenheim Credit Allocation Fund's (the "Fund") policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent semiannual or annual shareholder report.

1. Significant Accounting Policies

The following significant accounting policies are in conformity with U.S. generally accepted accounting principles ("GAAP") and are consistently followed by the Fund. This requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. All time references are based on Eastern Time.

The Board of Trustees of the Fund (the "Board") has adopted policies and procedures for the valuation of the Fund's investments (the "Valuation Procedures"). Pursuant to the Valuation Procedures, the Board has delegated to a valuation committee, consisting of representatives from Guggenheim's investment management, fund administration, legal and compliance departments (the "Valuation Committee"), the day-to-day responsibility for implementing the Valuation Procedures, including, under most circumstances, the responsibility for determining the fair value of the Fund's securities or other assets.

Valuations of the Fund's securities are supplied primarily by pricing services appointed pursuant to the processes set forth in the Valuation Procedures. The Valuation Committee convenes monthly, or more frequently as needed and will review the valuation of all assets which have been fair valued for reasonableness. The Fund's officers, through the Valuation Committee and consistent with the monitoring and review responsibilities set forth in the Valuation Procedures, regularly review procedures used by, and valuations provided by, the pricing services.

Equity securities listed on an exchange (New York Stock Exchange ("NYSE") or American Stock Exchange) are valued at the last quoted sales price as of the close of business on the NYSE, usually 4:00 p.m. on the valuation date. Equity securities listed on the NASDAQ market system are valued at the NASDAQ Official Closing Price on the valuation date, which may not necessarily represent the last sale price. If there has been no sale on such exchange or NASDAQ on such day, the security is valued at the mean of the most recent bid and asked prices on such day.

Debt securities with a maturity of greater than 60 days at acquisition are valued at prices that reflect broker/dealer supplied valuations or are obtained from independent pricing services, which may consider the trade activity, treasury spreads, yields or price of bonds of comparable quality, coupon, maturity, and type, as well as prices quoted by dealers who make markets in such securities. Short-term debt securities with a maturity of 60 days or less at acquisition and repurchase agreements are valued at amortized cost, which approximates market value.

Typically loans are valued using information provided by an independent third party pricing service which uses broker quotes. If the pricing service cannot or does not provide a valuation for a particular loan or such valuation is deemed unreliable, such loan is fair valued by the Valuation Committee.

Generally, trading in foreign securities markets is substantially completed each day at various times prior to the close of the NYSE. The values of foreign securities are determined as of the close of such foreign markets or the close of the NYSE, if earlier. All investments quoted in foreign currency are valued in U.S. dollars on the basis of the foreign currency exchange rates prevailing at the close of U.S. business at 4:00 p.m. Investments in foreign securities may involve risks not present in domestic investments. The Valuation Committee will determine the current value of such foreign securities by taking into consideration certain factors which may include those discussed above, as well as the

following factors, among others: the value of the securities traded on other foreign markets, ADR trading, closed-end fund trading, foreign currency exchange activity, and the trading prices of financial products that are tied to foreign securities such as World Equity Benchmark Securities. In addition, under the Valuation Procedures, the Valuation Committee and the Guggenheim Funds Investment Advisors, LLC (“GFIA or the “Adviser”) are authorized to use prices and other information supplied by a third party pricing vendor in valuing foreign securities.

Investments for which market quotations are not readily available are fair valued as determined in good faith by the Adviser, subject to review by the Valuation Committee, pursuant to methods established or ratified by the Board. Valuations in accordance with these methods are intended to reflect each security’s (or asset’s) “fair value.” Each such determination is based on a consideration of all relevant factors, which are likely to vary from one pricing context to another. Examples of such factors may include, but are not limited to: (i) the type of security, (ii) the initial cost of the security, (iii) the existence of any contractual restrictions on the security’s disposition, (iv) the price and extent of public trading in similar securities of the issuer or of comparable companies, (v) quotations or

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evaluated prices from broker-dealers and/or pricing services, (vi) information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange traded securities), (vii) an analysis of the company's financial statements, and (viii) an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold (e.g. the existence of pending merger activity, public offerings or tender offers that might affect the value of the security).

## 2. Fair Value Measurement

In accordance with GAAP, fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability in an orderly transaction with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability. GAAP establishes a three-tier fair value hierarchy based on the types of inputs used to value assets and liabilities and requires corresponding disclosure. The hierarchy and the corresponding inputs are summarized below:

Level 1 — quoted prices in active markets for identical assets or liabilities.

Level 2 — significant other observable inputs (for example quoted prices for securities that are similar based on characteristics such as interest rates, prepayment speeds, credit risk, etc.).

Level 3— significant unobservable inputs based on the best information available under the circumstances, to the extent observable inputs are not available, which may include assumptions.

The types of inputs available depend on a variety of factors, such as the type of security and the characteristics of the markets in which it trades, if any. Fair valuation determinations that rely on fewer or no observable inputs require greater judgment. Accordingly, fair value determinations for Level 3 securities require the greatest amount of judgment.

The following tables summarize the inputs used to value the Fund's investments at February 28, 2015:

| Description                         | Level 1            | Level 2              | Level 3             | Total                |
|-------------------------------------|--------------------|----------------------|---------------------|----------------------|
| <b>Assets</b>                       |                    |                      |                     |                      |
| Common Stocks                       | \$2,301,397        | \$-                  | \$229,590           | \$2,530,987          |
| Preferred Stocks                    | 6,226,800          | -                    | -                   | 6,226,800            |
| Corporate Bonds                     | -                  | 104,597,045          | 3,821,787           | 108,418,832          |
| Senior Floating Rate Interests      | -                  | 70,486,431           | 8,736,486           | 79,222,917           |
| Asset Backed Securities             | -                  | 18,510,497           | -                   | 18,510,497           |
| Mortgage Backed Securities          | -                  | 2,370,840            | -                   | 2,370,840            |
| Money Market Fund                   | 1,424,267          | -                    | -                   | 1,424,267            |
| Unfunded Commitments                | -                  | 180,504              | -                   | 180,504              |
| Forward Exchange Currency Contracts | -                  | 196,596              | -                   | 196,596              |
| <b>Total Assets</b>                 | <b>\$9,952,464</b> | <b>\$196,341,913</b> | <b>\$12,787,863</b> | <b>\$219,082,240</b> |
| <b>Liabilities</b>                  |                    |                      |                     |                      |
| Forward Exchange Currency Contracts | \$-                | \$40,648             | \$-                 | \$40,648             |

Independent pricing services are used to value a majority of the Fund's investments. When values are not available from a pricing service, they will be determined under the valuation policies that have been reviewed and approved by the Board of Trustees. In any event, values are determined using a variety of sources and techniques, including: market prices; broker quotes; and models which derive prices based on inputs such as prices of securities with

comparable maturities and characteristics or based on inputs such as anticipated cash flows or collateral, spread over Treasuries, and other information and analysis.

Indicative quotes from broker-dealers, adjusted for fluctuations in criteria such as credit spreads and interest rates, may be also used to value the Fund's assets and liabilities, i.e. prices provided by a broker-dealer or other market participant who has not committed to trade at that price. Although indicative quotes are typically received from established market participants, the Fund may not have the transparency to view the underlying inputs which support the market quotations.

Certain fixed income securities are valued by obtaining a monthly indicative quote from a broker-dealer, adjusted for fluctuations in criteria such as credit spreads and interest rates. The Fund's fair valuation guidelines were recently revised to transition such monthly indicative quoted securities from Level 2 to Level 3.

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The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The suitability of the techniques and sources employed to determine fair valuation are regularly monitored and subject to change.

The following is a summary of significant unobservable inputs used in the fair valuation of assets and liabilities categorized within Level 3 of the fair value hierarchy:

| Category                          | Ending Balance<br>at 2/28/15 | Valuation Technique  | Unobservable Inputs |
|-----------------------------------|------------------------------|----------------------|---------------------|
| Common Stock                      | \$229,590                    | Enterprise Value     | Indicative Quote    |
| Corporate Bonds                   | 2,588,217                    | Enterprise Value     | Indicative Quote    |
| Corporate Bonds                   | 1,233,570                    | Monthly Broker Quote | Indicative Quote    |
| Senior Floating Rate<br>Interests | 8,736,486                    | Enterprise Value     | Valuation Multiple* |

\*Valuation multiples utilized ranged from 3.4 to 14.2.

Significant changes in an indicative quote or valuation multiple would generally result in significant changes in the fair value of the security.

Transfers between investment levels may occur as the markets fluctuate and/or the availability of data used in an investment's valuation changes. Transfers between valuation levels, if any, are in comparison to the valuation levels at the end of the previous fiscal year, and are effective using the fair value as of the end of the current period. The Fund recognized transfers between the levels as of the beginning of the period. As of February 28, 2015, the Fund had securities with a total value of \$3,880,432 transferred from Level 3 to Level 2 due to availability of market price information at the period end.

The transfers in and out of the valuation levels as of February 28, 2015, compared to the valuation levels at the end of the previous fiscal year are detailed below.

#### Summary of Fair Value Level 3 Activity

Following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value for the period ended February 28, 2015:

#### Level 3 - Fair value measurements using significant unobservable inputs

| Assets                                 | Total        |
|--|--------------|
| Beginning Balance at 5/31/2014         |              |
| Corporate Bonds                        | \$1,318,110  |
| Asset Backed Securities                | 3,880,432    |
| Senior Floating Rate Interests         | 6,313,152    |
| Paydowns Received                      |              |
| Asset Backed Securities                | (266,960 )   |
| Senior Floating Rate Interests         | (2,696,871 ) |
| Payment-in-kind Distributions Received |              |
| Senior Floating Rate Interests         | 95,802       |
| Change in Unrealized Gain/Loss         |              |
| Corporate Bonds                        | (52,708 )    |
| Asset Backed Securities                | 61,409       |

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|                                    |                     |
|------------------------------------|---------------------|
| Senior Floating Rate Interests     | (1,389,909 )        |
| Common Stocks                      | (410 )              |
| <b>Purchases</b>                   |                     |
| Corporate Bonds                    | 2,556,385           |
| Senior Floating Rate Interests     | 6,414,312           |
| Common Stocks                      | 230,000             |
| <b>Transfers out of Level 3</b>    |                     |
| Asset Backed Securities            | (3,674,881 )        |
| <b>Ending Balance at 2/28/2015</b> |                     |
| Corporate Bonds                    | 3,821,787           |
| Senior Floating Rate Interests     | 8,736,486           |
| Common Stocks                      | 229,590             |
| <b>Total Level 3 Holdings</b>      | <b>\$12,787,863</b> |

3. Federal Income Taxes

At February 28, 2015, the cost of investments and accumulated unrealized appreciation/depreciation on investments for federal income tax purposes were as follows:

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| Cost of<br>Investments for<br>Tax Purposes | Gross Tax<br>Unrealized<br>Appreciation | Gross Tax<br>Unrealized<br>Depreciation | Net Tax Unrealized<br>Depreciation on<br>Investments |
|--|---|---|--|
| \$222,063,872                              | \$3,292,469                             | \$(6,651,201)                           | \$(3,358,732)  |

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Item 2. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended) as of a date within 90 days of the filing date of this report and have concluded, based on such evaluation, that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
- (b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940, as amended) that occurred during the registrant's last fiscal quarter that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting.

Item 3. Exhibits.

A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940, as amended (17 CFR 270.30a-2(a)), is attached hereto.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Guggenheim Credit Allocation Fund

By: /s/ Donald C. Cacciapaglia  
Donald C. Cacciapaglia  
Chief Executive Officer

Date: April 29, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Donald C. Cacciapaglia  
Donald C. Cacciapaglia  
Chief Executive Officer

Date: April 29, 2015

By: /s/ John L. Sullivan  
John L. Sullivan  
Chief Financial Officer, Chief Accounting Officer & Treasurer

Date: April 29, 2015