

## **Virtus Introduces Virtus Seix AAA Private Credit CLO ETF**

*PCLO leverages Seix's long-term CLO experience across credit cycles*

**New York, NY, December 3, 2024** – [Virtus Investment Partners, Inc.](#) (NYSE: VRTS) has expanded its offerings of distinctive, actively managed exchange-traded funds with the introduction of the [Virtus Seix AAA Private Credit CLO ETF](#), (NYSE Arca: PCLO), the second ETF managed by [Seix Investment Advisors](#).

The Virtus Seix AAA Private Credit CLO ETF, the first ETF to focus on private credit collateralized loan obligations (CLOs), primarily seeks to invest in the strongest and most undervalued AAA rated private credit CLOs and provides active management in a transparent, liquid, and cost-effective ETF.

“Private credit CLOs offer the potential for higher income and lower volatility versus traditional fixed income investments, providing investors with much needed diversification and lower correlation,” said Seix’s John Wu, CFA, portfolio manager and head of structured credit, who manages PCLO with George Goudelias, chief investment officer, leveraged finance, and senior portfolio manager. “With this offering, we will continue to take a multi-dimensional approach to portfolio management, combining time-tested portfolio construction methodology, disciplined trading strategies, and prudent risk management.”

Seix has significant experience in the CLO asset class, having launched its first leveraged loan strategy under Goudelias nearly 20 years ago. Seix now manages 10 CLOs with approximately \$3.4 billion in assets.

“We believe ETFs will become essential tools for investors seeking to access the burgeoning private credit market as it evolves,” said William J. Smalley, executive managing director, Virtus ETF Solutions. “Innovative products like PCLO provide a solution for investors seeking yield complements to a traditional portfolio, emphasizing efficiency and transparency.”

[Virtus ETF Solutions](#) offers 20 actively managed and index-based ETFs and had \$2.6 billion in assets under management as of September 30, 2024. Its offerings in multiple asset classes includes [Virtus Seix Senior Loan ETF](#) (SEIX), Virtus Terranova U.S. Quality Momentum ETF (JOET) as well

as ETFs managed by other Virtus affiliates, Duff & Phelps Investment Management Co., Kayne Anderson Rudnick, Newfleet Asset Management, and Stone Harbor Investment Partners.

### About Seix Investment Advisors

[Seix Investment Advisors](#) is an investment management boutique and affiliated manager of Virtus Investment Partners that has been focused exclusively on managing fixed income securities since 1992. Seix seeks to generate competitive absolute and relative risk-adjusted returns over the full market cycle through a bottom-up focused, top-down aware process. Seix employs multi-dimensional approaches based on strict portfolio construction methodology, sell disciplines and trading strategies with prudent risk management as a cornerstone. The firm provides investment management services to a client base that includes endowments, foundations, corporations, healthcare organizations, public funds, insurance companies, and high net worth individuals, in the U.S. and abroad.

### About Virtus ETF Solutions

[Virtus ETF Solutions](#) is an ETF sponsor that offers actively managed and index-based investment capabilities across multiple asset classes, seeking to deliver a family of complementary ETFs that provide investors access to differentiated investment capabilities from select managers.

### About Virtus Investment Partners, Inc.

[Virtus Investment Partners](#) (NYSE: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors. We provide investment management products and services from our [affiliated managers](#), each with a distinct investment style and autonomous investment process, as well as select subadvisers. Investment solutions are available across multiple disciplines and product types to meet a wide array of investor needs. Additional information about our firm, investment partners, and strategies is available at [virtus.com](https://www.virtus.com).

### Risk Considerations

**Exchange-Traded Funds (ETF):** The value of an ETF may be more volatile than the underlying portfolio of securities it is designed to track. The costs to the portfolio of owning shares of an ETF may exceed the cost of investing directly in the underlying securities. **Collateralized Loan**

**Obligations (CLO):** The risks of investing in CLOs include both the economic risks of the underlying loans combined with the risks associated with the CLO structure governing the priority of payments.

**Private Credit:** Private credit oriented CLOs bear the risks of the portfolio of loans that are privately negotiated between the borrower and a non-bank lender, including liquidity, industry, currency,

valuation, and credit risks. **Credit & Interest:** Debt instruments are subject to various risks, including credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **High Yield Fixed Income Securities (Junk Bonds):** There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade securities. **Limited Number of Investments:** Because the portfolio has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a portfolio with a greater number of securities. **Non-Diversified:** The portfolio is not diversified and may be more susceptible to factors negatively impacting its holdings to the extent the portfolio invests more of its assets in the securities of fewer issuers than would a diversified portfolio. **Market Price/NAV:** At the time of purchase and/or sale, an investor's shares may have a market price that is above or below the fund's NAV, which may increase the investor's risk of loss. **Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its assets as intended.

**Prospectus:** For additional information on risks, please see the fund's prospectus.

**The J.P. Morgan CLOIE AAA Total Return Index (USD)** is designed to track the performance of broadly-syndicated, arbitrage floating-rate U.S. CLO debt from AAA tranches. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

**Please consider the Fund's objectives, risks, charges, and expenses before investing. Contact us at 1.800.243.4361 or visit [virtus.com](http://virtus.com) for a prospectus, which contains this and other information about the Fund. Read the prospectus carefully before investing.**

**Not FDIC Insured. May Lose Value Not Bank Guaranteed**

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