

# Liquidation of Virtus Enhanced Short U.S. Equity ETF

NEW YORK, Nov. 12, 2018 [/PRNewswire/](#) -- Virtus ETF Solutions has announced that it will close and liquidate Virtus Enhanced Short U.S. Equity ETF (NYSE Arca: VESH).

Effective as of the close of business on November 27, 2018, the fund will no longer accept orders for the purchase of creation units. Beginning when the fund commences the liquidation of its portfolio, the fund may not pursue its respective investment objectives or, with certain exceptions, engage in normal business activities, and may hold cash and securities that may not be consistent with its investment objective and strategy.

The fund's last full day of trading on NYSE Arca, Inc. will be November 27, 2018 and it will be liquidated on or about December 4, 2018 (the "liquidation date"). NYSE Arca is expected to halt trading in shares of the fund after the market close on November 27, 2018. There can be no assurance that there will be a market for the purchase or sale of fund shares during the time between the market close on November 27, 2018 and the liquidation date, because fund shares will not be traded on NYSE Arca. Shareholders of the fund may sell their shares on NYSE Arca until the market close on November 27, 2018, and may incur customary transaction fees from their broker-dealer in connection with such sales. Prior to the liquidation of the fund, authorized participants may continue to submit orders to the fund for the redemption of creation units.

In connection with the liquidation, any shares of the fund outstanding on the liquidation date will be automatically redeemed as of the close of business on the Liquidation Date without the imposition of customary redemption transaction fees. The proceeds of any such redemption will be equal to the net asset value of such shares after the fund has paid or provided for all of its charges, taxes, expenses and liabilities, including certain operational costs of liquidating the fund. The distribution to shareholders of these liquidation proceeds will occur as soon as practicable, and will be made to all fund shareholders at the time of the liquidations.

Although the liquidation is not expected to be a taxable event for the fund, for taxable shareholders, the automatic redemption of shares of the fund on the liquidation date will generally be treated as a sale that may result in a gain or loss for federal income tax purposes. Please consult your personal tax advisor about the potential tax consequences.

For additional information about the liquidation, shareholders of the fund may call (888) 383-0553.

## DISCLOSURE

The fund is an exchange-traded fund ("ETF"). The "net asset value" (NAV) of the fund is determined at the close of each business day, and represents the dollar value of one share of the fund; it is calculated by taking the total assets of the fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV of the fund is not necessarily the same as its intraday trading value. Fund investors should not expect to buy or sell shares at NAV because shares of ETFs such as the fund are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Thus, shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. NAV returns are calculated using the fund's daily 4:00 pm NAV, and include the reinvestment of all dividends and other distributions (reinvested at the fund's NAV on distribution ex-date). Market price returns are calculated using the 4:00 pm midpoint between the bid and offer, and include the reinvestment of all dividends and other distributions (reinvested at the 4:00 pm bid/offer midpoint on distribution ex-date). Market price returns do

not represent the return you would receive if you traded at other times.

## **Fund Risks**

**Exchange Traded Funds:** The value of an ETF may be more volatile than the underlying portfolio of securities the ETF is designed to track. The costs of owning the ETF may exceed the cost of investing directly in the underlying securities. **Non-Diversified:** The fund is non-diversified and may be more susceptible to factors negatively impacting its holdings to the extent that each security represents a larger portion of the fund's assets. **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund. **Short Sales:** The fund may engage in short sales, and may experience a loss if the price of a borrowed security increases before the date on which the fund replaces the security. **Derivatives:** Investments in derivatives such as futures, options, forwards, and swaps may increase volatility or cause a loss greater than the principal investment. **No Guarantee:** There is no guarantee that the portfolio will meet its objective.

**You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact ETF Distributors LLC at 1-888-383-4184 or visit [www.virtus.com/our-products/individual-investors/exchange-traded-funds](http://www.virtus.com/our-products/individual-investors/exchange-traded-funds) to obtain a prospectus which contains this and other information about the fund. The prospectus should be read carefully before investing.**

Virtus ETF Advisers LLC serves as the investment advisor and Rampart Investment Management Co. serves as the subadvisor to the fund.

**The fund is distributed by ETF Distributors LLC, an affiliate of Virtus ETF Advisers LLC.**

SOURCE Virtus Enhanced Short U.S. Equity ETF

For further information: Fund Information: ETF Distributors LLC, Phone: 212-593-4383 or 1-888-383-4184 (toll free), Email: [etfinfo@virtus.com](mailto:etfinfo@virtus.com); Media Contact: Joe Fazzino, 860 263-4725, [joe.fazzino@virtus.com](mailto:joe.fazzino@virtus.com)

