

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE VIRTUS INVESTMENT PARTNERS, INC.
SECURITIES LITIGATION

Case No. 15-cv-1249 (WHP)

NOTICE OF PENDENCY OF CLASS ACTION

To: All persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive (the "Class Period"), purchased or otherwise acquired shares of the publicly traded common stock of Virtus Investment Partners, Inc. ("Virtus") and were damaged thereby (the "Class").

A federal court has authorized this Notice. It is not junk mail, an advertisement, or a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU ARE A CLASS MEMBER, YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT. THIS NOTICE ADVISES YOU OF YOUR OPTIONS REGARDING THE CLASS ACTION.

PLEASE DO NOT CALL OR WRITE THE COURT. IF YOU HAVE ANY QUESTIONS AFTER READING THIS NOTICE, YOU SHOULD CONTACT THE ADMINISTRATOR OR CLASS COUNSEL, AS DISCUSSED FURTHER BELOW.

This Notice is being sent pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the "Court") to inform you of a class action lawsuit that is now pending in the Court under the above caption (the "Action") against: (i) Virtus; (ii) Virtus Opportunities Trust ("VOT"); and (iii) certain officers and directors of Virtus, VOT and/or Virtus subsidiaries (the "Individual Defendants"; collectively with Virtus and VOT, the "Defendants"), and that the Action has been certified by the Court to proceed as a class action on behalf of the Class.

1. The "Class" certified by the Court consists of:

All persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive (the "Class Period"), purchased or otherwise acquired shares of the publicly traded common stock of Virtus Investment Partners, Inc. and were damaged thereby.

Excluded from the Class by definition are:

(a) Defendants; (b) former Defendants; (c) the affiliates, parents, and subsidiaries of Virtus and VOT; (d) the officers and directors of Virtus, VOT, and the affiliates, parents, and subsidiaries of Virtus and VOT during the Class Period; (e) members of the immediate family of any excluded person; (f) any entity in which any excluded person or entity has or had during the Class Period a controlling interest; and (g) the legal representatives, heirs, successors, and assigns of any excluded person or entity.

2. This Notice is directed to you because you may be a member of the Class ("Class Member"). If you are a Class Member, your rights will be affected by this Action. If you are uncertain whether you are a Class Member, contact Class Counsel listed in paragraph 18 below, or your own attorney.

3. This Notice is not an admission by Defendants or an expression of any opinion of the Court concerning the merits of the Action, or a finding by the Court that the claims asserted by the Class Representative (as defined in paragraph 9 below) are valid. This Notice is intended solely to advise you of the pendency of the Action and of your rights in connection with it. There is no judgment, settlement, or monetary recovery at this time. Defendants have denied Class Representative's claims and contend that they are not liable for the alleged harm.

4. The Class definition is subject to change by Court order, pursuant to Rule 23 of the Federal Rules of Civil Procedure.

OVERVIEW AND STATUS OF THIS ACTION

5. This case arises out of allegations that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. Among other things, the Action alleges that, during the Class Period (between January 25, 2013 and May 11, 2015, inclusive) Defendants told investors that the indices which Virtus's AlphaSector funds sought to track had an "inception date" of April 1, 2001, and that the performance of the AlphaSector indices had been achieved through live trading with real client assets since

¹ The "Individual Defendants" are George R. Aylward (President, CEO and Director of Virtus and President and Trustee of VOT), Jeffrey T. Cerutti (former Executive Vice President and Head of Distribution for Virtus, and President of VP Distributors, LLC, the underwriter of VOT and a wholly owned subsidiary of Virtus), and Francis G. Waltman (Executive Vice President and Head of Product Management of Virtus, Executive Vice President of subsidiary Virtus Investment Advisors ("VIA"), and Senior Vice President of VOT).

that time, when in fact Defendants knew or were reckless in not knowing that the AlphaSector indices did not come into existence until 2008. Further, in a January 2013 conference call, Virtus CEO (and Defendant) Aylward told investors that “[o]ur portfolio managers continued to deliver strong relative investment performance, and this performance has been a key driver of our high level sales and net flows,” which allegedly omitted that a portion of that performance was attributable to Defendants’ misleading statements concerning the AlphaSector indices. Defendants deny that these statements were false and misleading or otherwise give rise to liability.

6. The Action was commenced in February 2015. On June 9, 2015, the Court issued an Order appointing the Arkansas Teacher Retirement System (“ATRS”) as “Lead Plaintiff” pursuant to the Private Securities Litigation Reform Act of 1995. In the same Order, the Court approved Lead Plaintiff’s selection of Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP as “Co-Lead Counsel” for the Class, and consolidated all related actions.
7. The operative complaint in the Action, the Consolidated Class Action Complaint (the “Complaint”), was filed on August 21, 2015.
8. On October 21, 2015, Defendants moved to dismiss the Complaint. On July 1, 2016, the Court issued an Order largely denying Defendants’ motion to dismiss and sustaining Lead Plaintiff’s claims relating to the allegations described in paragraph 5, above.
9. On November 7, 2016, Lead Plaintiff filed a motion for class certification. Following briefing on the motion and oral argument, on May 15, 2017, the Court issued an Order granting the class certification motion, certifying the Class as defined above, appointing ATRS as “Class Representative,” and appointing Co-Lead Counsel as “Class Counsel.”
10. Fact discovery concluded on May 17, 2017, and expert discovery, including the exchange of expert reports, concluded on August 15, 2017. Trial in the Action is currently set for March 19, 2018 pursuant to a schedule set by the Court.

YOUR RIGHTS AS A CLASS MEMBER

11. A class action is a type of lawsuit in which one or several individuals or entities prosecute claims on behalf of all members of a group of similarly situated persons and entities (*i.e.*, the class) to obtain monetary or other relief for the benefit of the entire group. Class actions avoid the necessity of each member of a class having to file his, her, or its own separate lawsuit to obtain relief. Class actions are used to decide legal and factual issues that are common to all members of a class.
12. If you purchased or otherwise acquired shares of the publicly traded common stock of Virtus during the period between January 25, 2013 and May 11, 2015, inclusive, and were damaged thereby, and you are not excluded from the Class by definition (see paragraph 1 above), you are a member of the Class. If you are a member of the Class, you have the right to decide whether to remain a member of the Class.
13. If you wish to be excluded from the Class, you must request exclusion in accordance with the procedure set forth in paragraphs 15 through 17 below. ***If you want to remain a member of the Class, you do not need to do anything at this time other than to retain your documentation reflecting your transactions and holdings in Virtus common stock, as discussed in paragraph 14 below.*** If you do nothing, and you are a member of the Class, you will stay in the Class. Your decision is important for the following reasons:
 - a. **If you remain a member of the Class**, you will be bound by all past, present, and future orders and judgments in the Action, whether favorable or unfavorable. If any money is awarded to the Class, either through a settlement with Defendants or a judgment of the Court after a trial, you may be eligible to receive a share of that award. However, if you remain a member of the Class, you may not pursue a lawsuit on your own behalf with regard to any of the issues in this Action. Pursuant to Rule 23(e)(4) of the Federal Rules of Civil Procedure, it is within the Court’s discretion whether to allow a second opportunity to request exclusion from the Class if there is a settlement or judgment in the Action after a trial. Please note that if you remain a member of the Class, you will not be personally responsible for Class Counsel’s attorneys’ fees or costs. Class Counsel have agreed to represent the Class on a contingent fee basis, which means that they will be awarded fees and costs to be approved by the Court only if they succeed in obtaining a recovery from one or more Defendants. Any attorneys’ fees for Class Counsel will be awarded by the Court from the settlement or judgment, if any, obtained on behalf of the Class. As a member of the Class, you will be represented by Class Counsel. Alternatively, you may remain a member of the Class and elect to be represented by counsel of your own choosing. If you do retain separate counsel, you will be responsible for your attorney’s fees and expenses and your attorney must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to representative Class Counsel at the addresses set forth in paragraph 19 below **on or before March 23, 2018**.
 - b. **If you choose to be excluded from the Class**, you will not be bound by any past, present, or future orders and judgments in this Action, nor will you be eligible to share in any recovery that might be obtained in this Action. You will retain any right you have to individually pursue legal rights, if any, that you may have against any Defendants with respect to the claims asserted in the Action. ***Please note, if you decide to exclude yourself from the Class, you may be time-barred from asserting the claims covered by the Action by a statute of repose and your claims could be dismissed.*** Please refer to paragraphs 15 through 17 below if you would like to be excluded from the Class.

14. Members of the Class will be eligible to participate in any recovery that might be obtained in the Action. While this Notice is not intended to suggest any likelihood that members of the Class will recover any money, should there be a recovery, Class Members will be required to submit a claim form demonstrating their membership in the Class and documenting their sales, purchases, and/or holdings of Virtus common stock, and their resulting damages. **For this reason, please be sure to keep all records of your transactions and holdings in Virtus common stock. DO NOT mail them to Class Counsel or the Administrator at this time.** No money or benefits are available now and there is no guarantee that money or benefits will be obtained. If they are, Class Members will be notified regarding how to obtain a share.

HOW TO BE EXCLUDED FROM THE CLASS

15. If you wish to be excluded from the Class, you must specifically request exclusion in accordance with the following procedures. To exclude yourself from the Class, you must send a letter by first-class mail stating that you "request exclusion from the Class in *In re Virtus Investment Partners, Inc., Securities Litigation*, No. 1:15-cv-01249-WHP." Your request must: (i) state the name, address, and telephone number of the person or entity requesting exclusion, and, in the case of entities, the name and telephone number of the appropriate contact person; (ii) state the number of shares of Virtus common stock that the person or entity requesting exclusion purchased/acquired and/or sold during the Class Period (*i.e.*, between January 25, 2013 and May 11, 2015, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and sale; and (iii) be signed by the person or entity requesting exclusion or an authorized representative, accompanied by proof of authorization. You must mail your exclusion request, **postmarked by no later than March 23, 2018**, to:

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10489
Dublin, OH 43017-4089

You cannot exclude yourself from the Class by telephone or by e-mail, and a request for exclusion shall not be effective unless it contains all the information called for by this paragraph and is postmarked by the date stated above, or is otherwise accepted by the Court.

16. If your request for exclusion complies with the requirements set forth above, the Court will exclude you from the Class, you will not be bound by any orders or judgments in this Action, and you will not be eligible to share in any recovery that might be obtained in this Action.
17. Do not request exclusion from the Class if you wish to participate in this Action as a member of the Class.

CLASS COUNSEL

18. As a member of the Class, you will be represented by Class Counsel, who are:

John C. Browne
Jesse L. Jensen
**BERNSTEIN LITOWITZ BERGER &
GROSSMANN LLP**
1251 Avenue of the Americas, 44th Floor
New York, NY 10020
www.blbgllaw.com
1-800-380-8496

Michael H. Rogers
John J. Esmay
LABATON SUCHAROW LLP
140 Broadway
New York, NY 10005
www.labaton.com
1-888-219-6877

19. If you want to be represented by your own lawyer, you may hire one at your own expense. If you do retain your own lawyer, such counsel must enter an appearance on your behalf by filing a Notice of Appearance with the Clerk of the Court at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, **on or before March 23, 2018**. Your Notice of Appearance must also be mailed to representative Class Counsel: Jesse L. Jensen, Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, NY 10020; and John J. Esmay, Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, **on or before March 23, 2018**.
20. As noted above, unless you elect to retain your own personal lawyer, if you remain in the Class, you will not have any direct obligations to pay the costs of the litigation. If there is a recovery by the Class, all costs and expenses of the Action, including Class Counsel's attorneys' fees, will be paid from that recovery in an amount approved by the Court.

PLEASE KEEP YOUR ADDRESS CURRENT

21. In order to make sure that you receive any further notices in the Action, you are requested to mail notice of any changes in your address to:

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10489
Dublin, OH 43017-4089

22. If this Notice was forwarded to you by the postal service, or if it was otherwise sent to you at an address that is not current, you should immediately contact the Administrator, GCG, at the address in paragraph 21 above, or by calling GCG toll free at 1-866-680-8403 or emailing them at info@virtussecuritieslitigation.com, and provide them with your correct address. If GCG does not have your correct address, you may not receive any future notices that may be disseminated in the Action.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

23. This Notice only provides a summary of the lawsuit and the claims asserted by Class Representative. For more detailed information regarding the Action, including a copy of the Complaint, you may contact Class Counsel or visit www.virtussecuritieslitigation.com.

PLEASE DO NOT CALL OR WRITE THE COURT.

NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

24. If, during the period between January 25, 2013 and May 11, 2015, inclusive, you purchased or otherwise acquired Virtus common stock for the beneficial interest of persons or organizations other than yourself, you must either: (i) within seven (7) calendar days of receipt of this Notice, request from the Administrator sufficient copies of the Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notices forward them to all such beneficial owners; or (ii) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to the Administrator at *In re Virtus Investment Partners, Inc. Securities Litigation*, c/o GCG, P.O. Box 10489, Dublin, OH 43017-4089. If you choose the first option, you must send a statement to the Administrator confirming that the mailing was made and **you must retain your mailing records for use in connection with any further notices that may be provided in the Action**. If you choose the second option, the Administrator will send a copy of the Notice to the beneficial owners. Upon full and timely compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice may also be obtained from the website maintained by the Administrator, www.virtussecuritieslitigation.com, or by calling the Administrator toll free at 1-866-680-8403 or emailing them at info@virtussecuritieslitigation.com.

Dated: January 22, 2018

BY ORDER OF THE COURT:
United States District Court for the
Southern District of New York