

Q. What is happening?

A. The November 2021 distributions received from AMZA have been re-characterized as taxable qualified dividend income. They were originally characterized as non-taxable return of capital.

Q. Will the IRS be notified of the re-characterization of return of capital to qualified dividend income?

A. Yes. If you receive an updated 1099 for 2021 from your brokerage firm, then the IRS will have also received that updated information.

Q. Who issues my 1099?

A. Your brokerage firm issues consolidated 1099 statements. We have provided those firms with updated information that will be used to make changes, if applicable, to your 1099.

Q. Do I need to file an amended return?

A. Virtus cannot offer tax advice either on a general basis or specific to any client accounts. You should consult your own tax and/or accounting professionals.

Q. Will I owe the IRS money?

A. While Virtus cannot offer tax advice either on a general basis or specific to any client accounts, the change in characterization could result in an increase of taxable income from 2021 to impacted shareholders.

Q. Why was there a change in the character of these distributions?

A. Characterization of all distributions paid during a calendar year is based on thorough analysis of the data supplied by underlying companies via Schedule K-1, an IRS tax document issued annually for an investment in partnership interests used to report income, losses, and dividends. Necessary information to determine the tax character of the distributions made after the Fund's fiscal year end (October 31, 2021) but before the calendar year end (December 31, 2021) was not available to the Fund. After additional data was collected and analyzed, it was determined that those specific distributions should be re-characterized as qualified dividend income.

Q. Were other distributions impacted?

A. No. The characterization of distributions made in other months were correctly characterized as return of capital. No other re-categorizations need to be made.

Q. As an investor in the Fund, should I expect to receive a revised 1099 each year?

A. No. The distribution schedule has been revised. Going forward, we believe this should allow AMZA to maintain accurate assessments of tax character for all distributions in each respective calendar year. For more information regarding the monthly distribution schedule, please refer to the [2023 distribution calendar](#).

Q. Will the Fund continue to make monthly distributions?

A. The Fund seeks to maintain its current monthly distribution policy. For more information regarding the monthly distribution schedule, please refer to the [2023 distribution calendar](#).

This information is not exhaustive and should not be considered tax advice.

IRS Circular 230 Disclosure: Any information contained in this communication (including any attachments) is not intended to be used, and cannot be used, to avoid penalties imposed under the U.S. Internal Revenue Code. Shareholders should seek independent tax advice based on their own circumstances.

IMPORTANT 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. **Master Limited Partnerships:** Investments in MLPs may be adversely impacted by interest rates, tax law changes, regulation, or factors affecting underlying assets. **Energy Industry Concentration:** The portfolio's investments are concentrated in the energy industry and presents greater risks than if the portfolio was broadly diversified over numerous sectors of the economy. **Leverage:** When a portfolio is leveraged, the value of its securities may be more volatile and all other risks may be compounded. **Options:** Selling call options may limit the opportunity to profit from the increase in price of the underlying asset. Selling put options risks loss if the option is exercised while the price of the underlying asset is rising. Buying options risks loss of the premium paid for those options. **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. Price changes may be short- or long-term. Local, regional, or global events such as war or military conflict (e.g., Russia's invasion of Ukraine), acts of terrorism, the spread of infectious illness (e.g., COVID-19 pandemic) or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio's manager(s) to invest the portfolio's assets as intended. **Prospectus:** For additional information on risks, please see the fund's prospectus.

Please consider the Fund's objectives, risks, charges, and expenses before investing. Contact us at 1.800.243.4361 or visit www.virtus.com for a prospectus, which contains this and other information about the Fund. Read the prospectus carefully before investing.

ETFs distributed by **VP Distributors, LLC**, member FINRA and subsidiary of Virtus Investment Partners, Inc.
4739 2-23 © 2023 Virtus Exchange-Traded Funds

