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U.S. Securities and Exchange Commission Issues Notice of Intent to Grant Exemptive Relief to Permit the Offering of Exchange-Traded Managed Funds

NextShares™ Announced as Branding of Exchange-Traded Managed Funds

BOSTON, MA, November 6, 2014 – Eaton Vance Management (Eaton Vance), a subsidiary of Eaton Vance Corp. (NYSE: EV), announced that the U.S. Securities and Exchange Commission (SEC) has today issued notice of its intent to grant Eaton Vance and related parties an exemption from certain provisions of the Investment Company Act of 1940, as amended, to permit the offering of exchange-traded managed funds. Consistent with customary SEC practice, interested persons may request a hearing on this matter by contacting the SEC on or before December 1, 2014. An order granting the requested relief (Order) will be issued unless the SEC orders a hearing.

Eaton Vance filed for exemptive relief to offer exchange-traded managed funds on March 27, 2013 and amended the exemptive application on September 12, 2013, January 23, 2014, September 15, 2014 and September 25, 2014. The Order would apply to 18 initial exchange-traded managed funds for which Eaton Vance filed registration statements on July 30, 2014 and future funds managed by Eaton Vance and its affiliates that comply with the terms and conditions of the Order.

Aspects of the operation of exchange-traded managed funds are protected intellectual property held by an Eaton Vance affiliate, Navigate Fund Solutions LLC (Navigate). Navigate intends to enter into license and services agreements with Eaton Vance and other registered investment advisers (Licensed Advisers) to permit the offering of exchange-traded managed funds. The Eaton Vance exemptive application provides that other

Licensed Advisers may file requests for exemptive relief that incorporate by reference the terms and conditions of the Order.

Concurrent with today's SEC action, Navigate is announcing NextShares as the branding of exchange-traded managed funds to be offered by Eaton Vance and other Licensed Advisers.

As a further condition for the introduction of NextShares**,** the SEC must approve the listing and trading of NextShares on a national securities exchange. As previously announced, the NASDAQ Stock Market LLC has filed for approval of a rule governing the listing and trading of NextShares, which request the SEC is expected to act upon by Friday, November 7, 2014. Also prior to the launch of NextShares, the SEC must declare effective the registration statements of individual funds and approve fund-specific rules to permit exchange listing and trading.

"Today's action by the SEC is a major milestone in the development of NextShares," said Thomas E. Faust Jr., Chairman and Chief Executive Officer of Eaton Vance. "With the introduction of NextShares**,** investors will, for the first time, be able to access active strategies through a structure that provides the cost and tax efficiencies of an exchange-traded fund, while protecting the confidentiality of fund trading information."

NextShares are a new type of open-end fund that will list and trade their shares on a national securities exchange at prices directly linked to the fund's next-determined daily net asset value (NAV), using a new trading protocol called "NAV-based trading." In NAV-based trading, all orders to buy and sell shares are executed at NAV plus or minus a trading cost (for example, -$0.01, +$0.02) that is determined in the market. All bids and offers for shares are quoted as a premium or discount to NAV, and trading prices may be above, at or below NAV. Because NextShares will provide market makers with opportunities to earn reliable, low-risk profits without intraday hedging of their fund positions, NextShares can be expected to trade at prices that are consistently close to NAV in the absence of daily portfolio holdings disclosure. Because the trading cost to buy and sell NextShares (premium or discount to NAV) is always explicitly stated, NextShares will provide investors with transparency of entry and exit costs unparalleled among exchange-traded products.

Sponsors of actively managed funds have to date largely avoided introducing their leading strategies as ETFs because the required daily holdings disclosures can facilitate front-running of portfolio trades and enable other investors to replicate the fund's portfolio positioning and exploit its research insights. By removing the requirement for daily holdings disclosures, NextShares can potentially enable investors to access a broad range of active strategies in a structure that provides the investor benefits of an exchange-traded fund (ETF).

"NextShares have the potential to change the delivery of active strategies in the same way that ETFs have transformed index investing," said Stephen W. Clarke, President of Navigate. "We view NextShares as an important next step in the evolution of fund investing." For more information about NextShares**,** see nextshares.com.

Navigate is a wholly owned subsidiary of Eaton Vance Corp. formed to develop and commercialize NextShares exchange-traded managed funds.

Eaton Vance Corp. is one of the oldest investment management firms in the United States, with a history dating back to 1924. Eaton Vance and its affiliates managed $293.6 billion in assets as of September 30, 2014, offering individuals and institutions a broad array of investment strategies and wealth management solutions. Eaton Vance's long record of providing exemplary service, timely innovation and attractive returns through a variety of market conditions has made it the investment manager of choice for many of today's most discerning investors. For more information, visit eatonvance.com.

This press release is for information purposes only and is not intended to constitute, and should not be construed as, an offer to sell securities. The launch of NextShares is conditional upon fund regulatory approval, the likelihood and timing of which cannot be predicted. Commercial success also requires completion of enabling implementation technology and acceptance by market participants, which cannot be assured. Like mutual funds, NextShares will not offer investors the opportunity to buy and sell intraday based on current (versus end-of-day) determinations of fund value. NextShares trade execution prices will fluctuate based on changes in NAV and may vary significantly from anticipated levels during periods of market volatility. Although limit orders may be used to control trading costs, they cannot be used to control or limit trade execution prices. There can be no guarantee that an active trading market for NextShares will develop or be maintained, or that their listing will continue unchanged. Buying and selling NextShares may require payment of brokerage commissions and expose transacting shareholders to other trading costs. Market trading prices of NextShares may be above, at or below NAV, will fluctuate in relation to NAV based on supply and demand in the market for shares and other factors, and may vary significantly from NAV. The return on a shareholder's NextShares investment will be reduced if the shareholder sells shares at a greater discount or narrower premium to NAV than he or she acquired the shares. The performance of actively managed NextShares will depend in part on the portfolio managers' successful application of analytical skill and investment judgment. A NextShares fund is not a complete investment program, and there is no guarantee that it will achieve its investment objective. It is possible to lose money on an investment in NextShares. Investors in NextShares should have a long-term investment perspective and be able to tolerate potentially sharp declines in value. An investment in NextShares is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, entity or person.