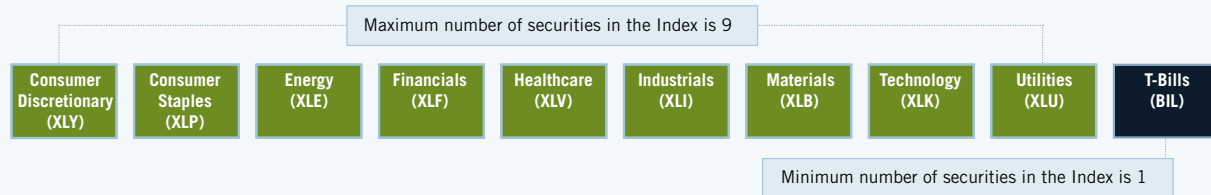


The Virtus Premium AlphaSector™ Strategy was designed to meet the real needs of individual investors by seeking to provide risk controls in down markets and enhanced alpha in up markets. The Strategy has an investment objective of long-term capital appreciation and seeks to deliver the returns of the Premium AlphaSector™ Index (ASRP), a public index published by NASDAQ. ASRP strives to outperform the S&P 500® Index with lower volatility, low beta, and low correlation.

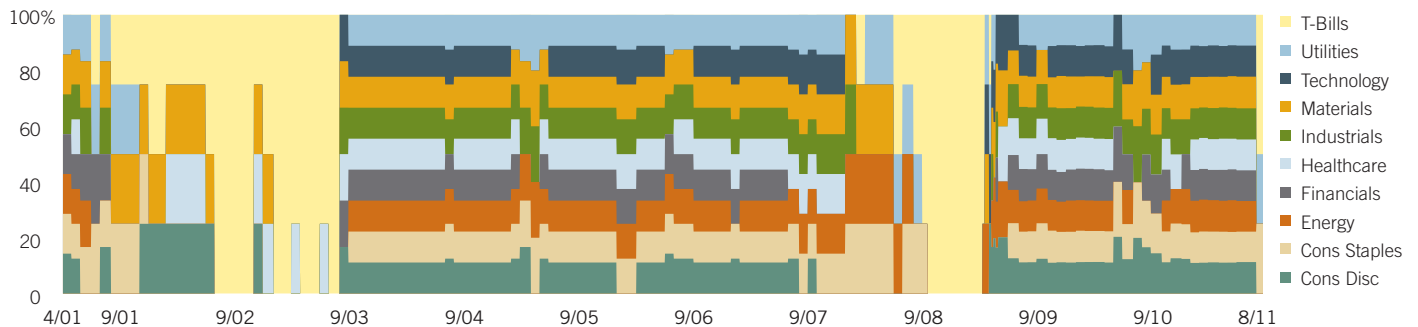
Index Construction

- > Composed of the nine exchange traded funds (ETFs) which represent the primary sectors of the S&P 500® Index, plus an ETF that represents short-term Treasuries.
- > Flexibility to invest in any combination of the nine sector ETFs, a combination of the sector ETFs and short-term Treasuries, or 100% in short-term Treasuries.

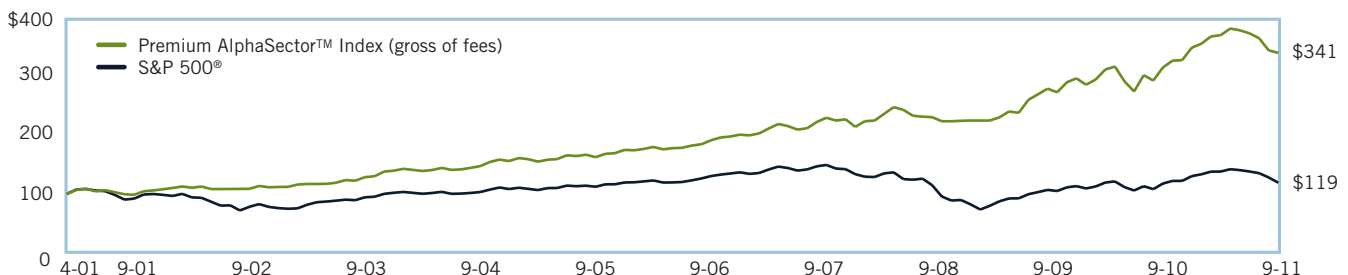


- > Utilizes a proprietary quantitative model that seeks to evaluate “true” price trends within each sector, while eliminating market noise.
- > The model features an innovative, dynamic volatility factor that heightens the sensitivity of the model signals in periods of rising or high volatility.
- > Sectors are equally weighted, with a maximum allocation of 25% per sector at time of rebalancing.
- > When three or fewer sectors are represented, the remainder is allocated to cash equivalents, up to 100%.
- > Uses a binary model for determining sector allocations on a weekly basis, with sectors either included in the portfolio or entirely excluded.

Index Sector Allocations as of 8/31/11 (month-end since inception)



Growth of \$100 as of 9/30/11



The charts assume an initial investment of \$100 in both the S&P 500® Index and the Premium AlphaSector™ Index on the first day of the period. Performance assumes reinvestment of dividends and capital gain distributions. Past performance is no guarantee of future results.

Virtus Premium AlphaSector™

Performance¹

As of 9/30/11	Premium AlphaSector™ Index (net)	Premium AlphaSector™ Index (gross)	S&P 500®
Annualized Return	9.11%	12.40%	1.69%
3 Yr Return (Annualized)	10.51	13.85	1.23
5 Yr Return (Annualized)	9.72	13.03	-1.18
Standard Deviation	10.74	10.74	15.91
Maximum Drawdown	-13.88	-13.41	-50.95

Statistics¹

As of 9/30/11	Premium AlphaSector™ Index (gross)
Annual Excess Return	10.72
Alpha	9.79
R-Squared	52.13%
Beta	0.49
5 Yr Up Capture Ratio	91.47%
5 Yr Down Capture Ratio	43.40%

Annual Performance¹

As of 9/30/11	YTD 2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Premium AlphaSector™ Index (net)	-4.71%	14.22%	28.40%	-4.06%	11.49%	13.40%	3.68%	11.54%	20.46%	1.94%
Premium AlphaSector™ Index (gross)	-2.54	17.66	32.23	-1.13	14.86	16.81	6.83	14.90	24.07	5.04
S&P 500®	-8.68	15.06	26.46	-37.00	5.49	15.79	4.91	10.88	28.68	-22.10

¹April 2001 - September 2011 (unless otherwise indicated)

Source: Virtus Performance Analytics/mpiStylus

F-Squared, a quantitatively based boutique investment firm, is the subadvisor to the Virtus AlphaSector Strategies. The firm's innovative business model delivers scalable, transparent investment strategies and customizable capabilities to meet investor needs. F-Squared strives to deliver long-term outperformance while attempting to avoid short-term performance disappointments.

Important Information

This material has been prepared solely for information purposes. The information contained herein has been obtained from sources we believe to be reliable, but its accuracy and completeness cannot be guaranteed. It is available on an "as is" basis without warranty.

Virtus Premium AlphaSector™ is a new strategy that attempts to track an index known as the Premium AlphaSector™ Index. Premium AlphaSector is a quantitatively driven index that applies a weekly trading protocol to nine Select Sector SPDRs and an exchange traded fund (ETF) representing 1-3 month Treasuries. The index has the potential to be invested in any combination of the nine SPDRs, including all nine at the same time, a combination of sector SPDRs and the Treasury ETF, or 100% in the Treasury ETF.

There is no guarantee that the adviser will be successful in achieving returns similar to the Premium AlphaSector™ Index. Client returns will be significantly lower than the index returns after fees are taken into account, including management fees, brokerage or transaction costs, or other administrative or custodian fees a client may incur.

One cannot directly invest in an index. Index returns represent past performance and are not a guarantee of future results or indicative of any specific investment.

The index returns shown reflect hypothetical model performance an investor would have obtained had it invested in the manner shown and does not represent returns that any investor actually attained. Hypothetical model performance has inherent limitations. For example, it does not involve financial risk, and there is no actual funded trading record. It may not reflect the impact that material economic and market factors might have had on the adviser's decision making if the adviser were actually managing client money. The index returns shown are adjusted to reflect the reinvestment of dividends.

Gross annual returns will be reduced by investment management fees and other expenses that may be incurred in the management of the account. Net annual returns are calculated after the deduction of an assumed annual wrap fee of 3%. The ETFs invested in the model portfolio have their own expenses that are included in the gross and net returns presented.

Investment in securities involves risk, including the potential for loss of principal. Sector ETFs are subject to sector risk and non-diversification risks, which may result in greater price fluctuation than the overall market. Sector ETFs that sample their target indexes to comply with tax diversification rules may experience a greater degree of tracking error than other ETFs.

The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged and not available for direct investment.

***Alpha:** The excess return of the portfolio relative to the return of the benchmark index. **Beta:** A quantitative measure of the volatility of a given portfolio to the overall market. Higher beta suggests higher volatility. **Maximum Drawdown:** The peak-to-trough decline during a specific record period of an investment, fund or commodity. A drawdown is usually quoted as the percentage between the peak and the trough. **Standard Deviation:** Measures variability of returns around the average return for an investment. Higher standard deviation suggests greater risk. **R²:** A measurement of how closely a portfolio's performance correlates with the performance of a benchmark index. **Up and Down Capture Ratios:** Measure how well a manager was able to replicate or improve on phases of positive benchmark returns and how badly the manager was affected by phases of negative benchmark returns.*

For Managed Account Use Only

6304 10-11 © 2011 Virtus Investment Partners, Inc.