

## Virtus Senior Floating Rate Fund



A: PSFRX

C: PFSRX

I: PSFIX

Before you invest, you may want to review the fund's prospectus, which contains more information about the fund and its risks. You can find the fund's prospectus, statement of additional information (SAI), annual report and other information about the fund online at <http://www.virtus.com/individuals/forms/prospectuses.aspx?type=individual>.

You can also get this information at no cost by calling 800-243-1574 or by sending an e-mail to: [virtus.investment.partners@virtus.com](mailto:virtus.investment.partners@virtus.com). If you purchase shares of the fund through a broker-dealer or other financial intermediary (such as a bank), the prospectus and other information will also be available from your financial intermediary.

The fund's prospectus and SAI, both dated January 31, 2012, are incorporated by reference into this Summary Prospectus.

## Investment Objective

The fund has an investment objective of high total return from both current income and capital appreciation.

## Fees and Expenses

The tables below illustrate all fees and expenses that you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$50,000 in Virtus Mutual Funds. More information about these and other discounts, as well as eligibility requirements for each share class, is available from your financial advisor and under "Sales Charges" on page 138 of the fund's prospectus and "Alternative Purchase Arrangements" on page 53 of the fund's statement of additional information.

Shareholder Fees <i>(fees paid directly from your investment)</i>	Class A	Class C	Class I
Maximum Sales Charge (load) Imposed on Purchases (as a percentage of offering price)	2.75%	None	None
Maximum Deferred Sales Charge (load) (as a percentage of the lesser of purchase price or redemption proceeds)	None	1.00% <sup>(a)</sup>	None

Annual Fund Operating Expenses <i>(expenses that you pay each year as a percentage of the value of your investment)</i>	Class A	Class C	Class I
Management Fees	0.60%	0.60%	0.60%
Distribution and Shareholder Servicing (12b-1) Fees	0.25%	1.00%	None
Recoupment of Fees Waived and/or Expenses Reimbursed by Adviser	0.01%	0.01%	0.01%
Other Expenses	0.34%	0.34%	0.34%
Acquired Fund Fees and Expenses <sup>(b)</sup>	0.02%	0.02%	0.02%
Total Annual Fund Operating Expenses	1.22%	1.97%	0.97%

(a) The deferred sales charge is imposed on Class C Shares redeemed during the first year only.

(b) The Total Annual Fund Operating Expenses do not correlate to the ratio of expense to average net assets appearing in the Financial Highlights tables, which tables reflect only the operating expenses of the fund and do not include acquired fund fees and expenses.

## Example

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the fund for the time periods indicated. It shows your costs if you sold your shares at the end of the period or continued to hold them. The example also assumes that your investment has a 5% return each year and that the fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	Share Status	1 Year	3 Years	5 Years	10 Years
Class A	Sold or Held	\$396	\$652	\$927	\$1,712
Class C	Sold	\$300	\$618	\$1,062	\$2,296
	Held	\$200	\$618	\$1,062	\$2,296
Class I	Sold or Held	\$99	\$309	\$536	\$1,190

## Portfolio Turnover

The fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are

held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund's performance. During the most recent fiscal year, the fund's portfolio turnover rate was 69% of the average value of its portfolio.

## Investments, Risks and Performance

### Principal Investment Strategies

The fund offers the potential for attractive total return and income by investing primarily in non-investment grade bank loans with a focus on higher quality companies within a rating tier. Using extensive credit and company analysis and monitoring, the subadviser looks for those securities with strong total return potential while maintaining an emphasis on managing risk.

Under normal circumstances, the fund will invest at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in a portfolio of senior floating rate loans ("Senior Loans"). The fund may invest up to 15% of total assets in U.S. and non-U.S. dollar denominated foreign securities and foreign Senior Loans, including Yankee bonds. The fund may purchase derivative instruments, including, but not limited to, options, futures contracts, credit-linked notes, and swaps.

The fund may borrow an amount up to 33 1/3% of its total assets (including the amount borrowed). The fund may borrow for investment purposes, to meet repurchase requests and for temporary, extraordinary or emergency purposes.

### Principal Risks

The fund may not achieve its objective, and it is not intended to be a complete investment program. The value of the fund's investments that supports your share value may decrease. If between the time you purchase shares and the time you sell shares the value of the fund's investments decreases, you will lose money. Investment values can decrease for a number of reasons. Conditions affecting the overall economy, specific industries or companies in which the fund invests can be worse than expected, and investments may fail to perform as the adviser expects. As a result, the value of your shares may decrease. The principal risks of investing in the fund are:

- > **Borrowing Risk.** The risk that the costs of borrowing may exceed the income from investments made with such leverage.
- > **Credit Risk.** The risk that the issuer of a security will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of the security to decline.
- > **Derivatives Risk.** The risk that the fund will incur a loss greater than the fund's investment in, or will experience greater share price volatility as a result of investing in, a derivative contract.
- > **Foreign Investing Risk.** The risk that the prices of foreign securities may be more volatile than those of their domestic counterparts.
- > **High Yield-High Risk Fixed Income Securities (Junk Bonds) Risk.** The risk that the issuers of high yield-high risk securities in the fund's portfolio will default, that the prices of such securities will be volatile, and that the securities will not be liquid.
- > **Interest Rate Risk.** The risk that when interest rates rise, the values of the fund's debt securities, especially those with longer maturities, will fall.
- > **Liquidity Risk.** The risk that certain securities may be difficult or impossible to sell at the time and price beneficial to the fund.
- > **Loan Participation Risk.** The risk that there may not be a readily available market for loan participation interests and, in some cases, the fund may have to dispose of such securities at a substantial discount from face value. Loan participations also involve the credit risk associated with the underlying corporate borrower.
- > **Market Volatility Risk.** The risk that the value of the securities in which the fund invests may go up or down in response to the prospects of individual companies and/or general economic conditions. Price changes may be temporary or may last for extended periods.
- > **Unrated Fixed Income Securities Risk.** The risk that the subadviser will be unable to accurately assess the quality of an unrated fixed income security, so that the fund invests in a security with greater risk than intended.

### Performance Information

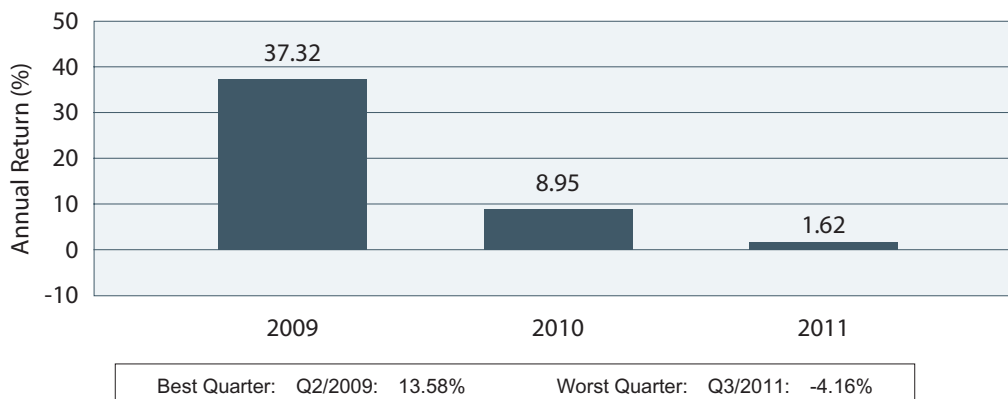
The bar chart and table below provide some indication of the potential risks of investing in the fund. The fund's past performance, before and after taxes, is not necessarily an indication of how the fund will perform in the future.

The bar chart shows changes in the fund's performance from year to year over the life of the fund. The table shows how the fund's average annual returns compare to those of a broad-based securities market index and a more narrowly-based

benchmark that reflects the market sectors in which the fund invests. Updated performance information is available at *virtus.com* or by calling 800-243-1574.

### Calendar year total returns for Class A Shares

Returns do not reflect sales charges and would be lower if they did.



### Average Annual Total Returns (for the periods ended 12/31/11)

Returns reflect deduction of maximum sales charges and full redemption at end of periods shown.

	1 Year	Since Inception (1/31/08)
<b>Class A</b>		
Return Before Taxes	-1.18%	4.94%
Return After Taxes on Distributions	-2.71%	2.57%
Return After Taxes on Distributions and Sale of Fund Shares	-0.77%	2.80%
<b>Class C</b>		
Return Before Taxes	0.95%	4.94%
<b>Class I</b>		
Return Before Taxes	1.87%	5.94%
Barclay's Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	7.84%	6.07%
S&P/LSTA Leveraged Loan Index (reflects no deduction for fees, expenses or taxes)	1.52%	5.69%

The Barclays Capital U.S. Aggregate Bond Index measures the U.S. investment grade fixed rate bond market. The index is calculated on a total-return basis. The S&P/LSTA Leveraged Loan Index is a daily total return index that uses LSTA/LPC Mark-to-Market Pricing to calculate market value change. On a real-time basis, the Index tracks the current outstanding balance and spread over LIBOR for fully funded term loans. The facilities included in the Index represent a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. After-tax returns are shown only for Class A Shares; after-tax returns for other classes will vary. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. After-tax returns are not relevant to investors who hold fund shares in tax-deferred accounts or to shares held by non-taxable entities. In certain cases, the Return After Taxes on Distributions and Sale of Fund Shares for a period may be higher than other return figures for the same period. This will occur when a capital loss is realized upon the sale of fund shares and provides an assumed tax benefit that increases the return.

## Management

The fund's investment adviser is Virtus Investment Advisers, Inc. ("VIA").

The fund's subadviser is Newfleet Asset Management, LLC ("Newfleet"), an affiliate of VIA (since June 2011).

## Portfolio Management

- > **David L. Albrycht, CFA**, Chief Investment Officer — Multi-Sector Fixed Income Strategies at Newfleet, is a manager of the fund. Mr. Albrycht has been Portfolio Manager since the fund's inception in 2008.



c/o Virtus Mutual Funds  
P.O. Box 9874  
Providence, RI 02940-8074

- > **Kyle A. Jennings, CFA**, Portfolio Manager — Bank Loan Sector at Newfleet, is a manager of the fund. Mr. Jennings has been Portfolio Manager since the fund’s inception in 2008.

### Purchase and Sale of Fund Shares

Purchase Minimums (except Class I Shares)	
Minimum Initial Purchase	\$2,500
Individual Retirement Accounts (IRAs), systematic purchase or systematic exchange accounts	\$100
Defined contribution plans, asset-based fee programs, profit-sharing plans or employee benefit plans	No minimum
Minimum Additional Purchase	\$100
Defined contribution plans, asset-based fee programs, profit-sharing plans or employee benefit plans	No minimum

For Class I Shares, the minimum initial purchase is \$100,000; there is no minimum for additional purchases.

In general, you can buy or sell shares of the fund by mail or telephone on any business day. You also may buy and sell shares through a financial advisor.

### Taxes

The fund’s distributions are taxable to you either as ordinary income or capital gains, except when your investment is through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account. Such tax-deferred arrangements may be taxed later upon withdrawal of monies from those arrangements.

### Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank), the fund and its related companies may pay the intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your financial advisor to recommend the fund over another investment. Ask your financial advisor or visit your financial intermediary’s Web site for more information.