

INVESTMENT OPPORTUNITY

The Fund seeks investment results that correspond, before fees and expenses, to the price and yield performance of the LifeSci Biotechnology Clinical Trials Index, which tracks the performance of select clinical trials stage biotechnology companies.

KEY FEATURES

High-Growth Potential — One of the most dynamic stock sectors, covering companies that design drugs, from entrepreneurial start-ups to global giants

Pure, Targeted Exposure — Passively invests solely in firms with promising drugs in clinical human trials that have not yet been approved by the FDA or gone into production

Equally Weighted — Equal stock weightings, at the time of semi-annual index rebalance, help ensure even relatively small firms with major breakthroughs can have meaningful impacts on returns

	NYSE Arca
NAV Symbol	BBC.NV
IOPV Symbol	BBC.IV
CUSIP	26923G301
Inception Date	12/16/14
Total Expense Ratio	0.79%
Adviser	Virtus ETF Advisers LLC
Distributor	VP Distributors, LLC
Index Provider	LifeSci Index Partners, LLC
Benchmark	LifeSci Biotechnology Clinical Trials Index

The underlying LifeSci Biotechnology Clinical Trials Index is rebalanced and reconstituted on June 15 and December 15 of each year.

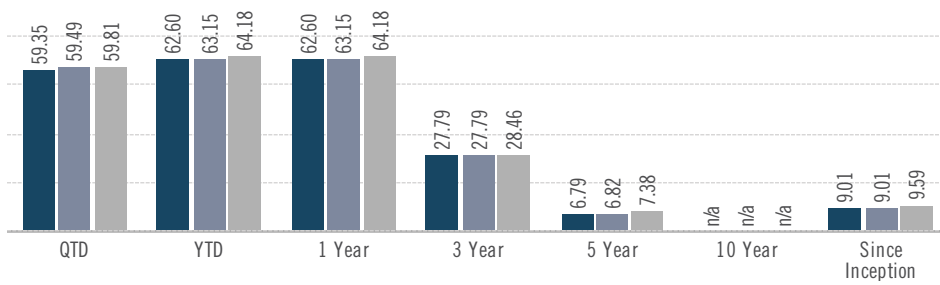
PORTFOLIO MANAGEMENT



LifeSci Index Partners, LLC is a New York-based index provider of healthcare-based stock market indices. The LifeSci team is comprised of investment professionals with experience in biotechnology equity research, in organic chemistry research in academia, and at pharmaceutical and biotechnology companies. LifeSci Index Partners, LLC is the index provider to the Fund. The portfolio managers are affiliated with Virtus ETF Advisers, LLC, the Fund's adviser.

BBC is a passively managed, index-based ETF.

AVERAGE ANNUAL TOTAL RETURNS (%) as of 12/31/19 ■ NAV ■ Market Price ■ Index



Returns for periods of less than one year are cumulative total returns.

Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, so your shares, when redeemed, may be worth more or less than their original cost. Please visit Virtus.com for performance data current to the most recent month-end.

The Total Expense Ratio represents the Fund's Total Annual Fund Operating Expenses, which includes the management fee and other expenses where applicable, except for certain payments that are paid directly by the Fund, as described in the Prospectus.

TOP TEN HOLDINGS (%)	% Fund
Intra-Cellular Therapies Inc	2.64
Axsome Therapeutics Inc	2.17
Cortexyme Inc	1.42
ImmunoGen Inc	1.40
Epizyme Inc	1.37
Precision BioSciences Inc	1.33
SpringWorks Therapeutics Inc	1.31
Provention Bio Inc	1.25
ChemoCentryx Inc	1.24
Ascendis Pharma A/S	1.19

Holdings are subject to change. To view the full list of holdings, please visit virtus.com.

INVESTMENT PROFESSIONALS

Matthew B. Brown
Chief Operating Officer and Portfolio Manager
Industry start date: 1999
Start date as Fund Portfolio Manager: 2017

Seth Kadushin
Portfolio Manager
Industry start date: 1988
Start date as Fund Portfolio Manager: 2017

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 of owning the ETF may exceed the cost of investing directly in the underlying securities. **Equity Securities:** The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund. **Passive Strategy/Index Risk:** A passive investment strategy seeking to track the performance of the underlying Index may result in the fund holding securities regardless of market conditions or their current or projected performance. This could cause the fund's returns to be lower than if the fund employed an active strategy. **Correlation to Index:** The performance of the fund and its index may vary somewhat due to factors such as fund flows, transaction costs, and timing differences associated with additions to and deletions from its index. **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. **Prospectus:** For additional information on risks, please see the fund's prospectus.

BENCHMARK

The LifeSci Biotechnology Clinical Trials Index is designed to track the performance of U.S.-listed biotechnology stocks with a lead drug in the clinical trial stage of development, typically a Phase 1, Phase 2 or Phase 3 trial, but prior to receiving marketing approval. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

The Fund is an exchange-traded fund ("ETF"). The "net asset value" (NAV) of the Fund is determined at the close of each business day, and represents the dollar value of one share of the Fund; it is calculated by taking the total assets of the Fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV of the Fund is not necessarily the same as its intraday trading value. Fund investors should not expect to buy or sell shares at NAV because shares of ETFs such as the Fund are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Thus, shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. NAV returns are calculated using the Fund's daily 4:00 pm NAV, and include the reinvestment of all dividends and other distributions (reinvested at the Fund's NAV on distribution ex-date). Market price returns are calculated using the 4:00 pm midpoint between the bid and offer, and include the reinvestment of all dividends and other distributions (reinvested at the 4:00 pm bid/offer midpoint on distribution ex-date). Market price returns do not represent the return you would receive if you traded at other times.

Please consider a Fund's investment objectives, risks, charges, and expenses carefully before investing. For this and other information about any Virtus Fund, contact your financial representative, call 800-243-4361, or visit virtus.com for a prospectus or summary prospectus. Read it carefully before investing. Not insured by FDIC/NCUSIF or any federal government agency. No bank guarantee. Not a deposit. May lose value.

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