

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

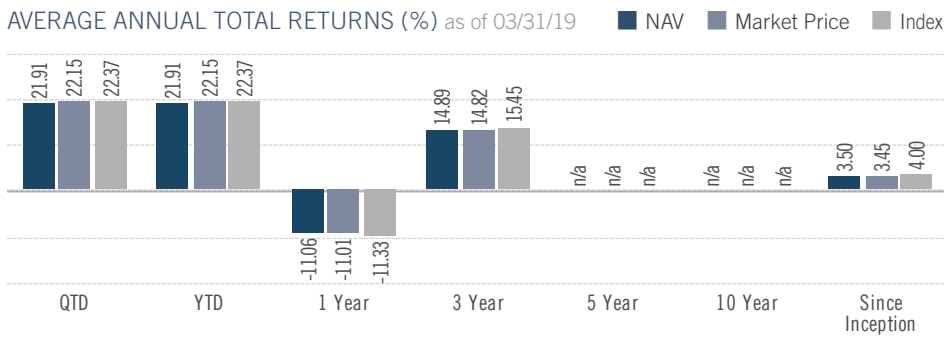
**Pure, Targeted Exposure** — Passively invests solely in firms with promising drugs in clinical human trials that have not yet been approved by the FDA or gone into production

**Equally Weighted** — Equal stock weightings, rebalanced semi-annually, 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
Gross Expense Ratio	0.79%
Net Expense Ratio	0.79%
Adviser	Virtus ETF Advisers LLC
Distributor	ETF Distributors, LLC
Index Provider	LifeSci Index Partners, LLC
Benchmark	LifeSci Biotechnology Clinical Trials Index

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



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](http://Virtus.com) for performance data current to the most recent month-end.**

The Gross Expense Ratio represents the Fund's management fee, which is structured as a unified fee, out of which the Fund's adviser pays all routine expenses, except for certain payments as described in the prospectus, which are paid by the Fund.

TOP TEN HOLDINGS (%)	% Fund
Nightstar Therapeutics PLC	2.12
uniQure NV	2.00
Epizyme Inc	1.98
INSMED INC	1.83
Sorrento Therapeutics Inc	1.80
Ascendis Pharma A/S	1.75
Voyager Therapeutics Inc	1.72
Mirati Therapeutics Inc	1.67
Audentes Therapeutics Inc	1.60
TG Therapeutics Inc	1.52

Holdings are subject to change. To view the full list of holdings, please visit [virtus.com](http://virtus.com).

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.

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. **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. **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. **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. **No Guarantee:** There is no guarantee that the portfolio will meet its objective. **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.

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 the Fund's objectives, risks, charges, and expenses before investing. Contact us at 1.800.243.4361 or visit [www.virtus.com](http://www.virtus.com) for a prospectus, which contains this and other information about the Fund. Read the prospectus 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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