

INVESTMENT OVERVIEW

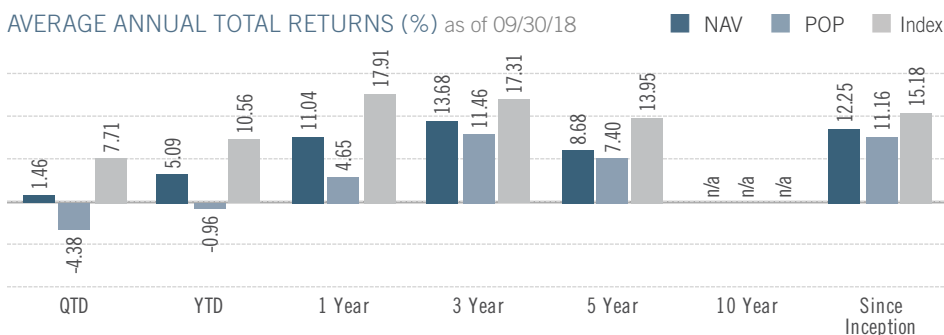
The Fund seeks attractive long-term returns by investing in U.S. companies that are owned or operated by wealthy individuals with a significant vested personal stake in the business, and thereby committed to building long-term value (e.g., shareholders' equity).

KEY FEATURES

Alignment of Interests — Owner-operators have significant common equity interests, frequently using their companies as a primary means to generate personal wealth – a potential positive for the shareholders they invest alongside

Real Value vs. Quarterly Results — Owner-operators tend to be more concerned with capturing long-term business performance and less concerned with short-term results

Informational Advantage — Owner-operators with successful long-term track records have access to a denser network of business relationships, deal opportunities, and capital on more favorable terms



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.

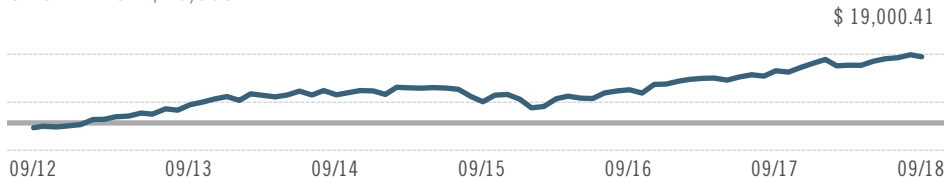
The fund class gross expense ratio is 1.49%. The net expense ratio is 1.25%, which reflects a contractual expense reimbursement in effect through 1/31/2019.

Average annual total return is the annual compound return for the indicated period and reflects the change in share price and the reinvestment of all dividends and capital gains. Returns for periods of one year or less are cumulative returns. Class A shares have a maximum sales charge of 5.75%. A contingent deferred sales charge of 1% may be imposed on certain redemptions within 18 months on purchases on which a finder's fee has been paid. POP (Public Offering Price) performance reflects the deduction of the maximum sales charge.

ANNUAL PERFORMANCE (%)

| | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|--------------|-------|-------|-------|-------|-------|------|------|------|------|------|
| Fund | 18.04 | 15.36 | -7.72 | 5.57 | 38.41 | n/a | n/a | n/a | n/a | n/a |
| Index | 21.83 | 11.96 | 1.38 | 13.69 | 32.39 | n/a | n/a | n/a | n/a | n/a |

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 9/5/2012. As of 9/28/2018 the fund value would have been \$19,000.41. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 5.75%.

FUND INFORMATION

| | Ticker | CUSIP |
|----------|--------|-----------|
| A Shares | VWMAX | 92828W817 |
| C Shares | VWMCX | 92828W791 |
| I Shares | VWMIX | 92828W783 |

| | |
|----------------------|--------------------|
| Inception Date | 09/05/12 |
| AUM (\$ millions) | 68.5 |
| Number of Holdings | 168 |
| Dividends | Semi-Annually |
| Morningstar Category | Mid-Cap Blend |
| Lipper Category | Mid-Cap Core Funds |
| Index | S&P 500® Index |

MORNINGSTAR RATINGS

| Time Period | # of Stars | # of Funds |
|-------------|------------|------------|
| Overall | ★★ | 371 |
| 3 Year | ★★★ | 371 |
| 5 Year | ★★ | 334 |
| 10 Year | Not Rated | n/a |

Strong ratings are not indicative of positive fund performance.

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER



Horizon Asset Management, a subsidiary of Horizon Kinetics, LLC believes that companies managed or influenced by individuals who have significant personal wealth invested in their firms will outperform the broad equity market.

PORTFOLIO MANAGERS

Murray Stahl

Industry start date: 1978
Start date with Fund: 2012

Matthew Houk

Industry start date: 2005
Start date with Fund: 2012

CHARACTERISTICS

| | Fund | Index |
|-----------------------------------|-------|--------|
| Avg. Weighted Market Cap (bn) | 30.05 | 247.65 |
| Median Market Cap (bn) | 4.98 | 21.67 |
| Trailing P/E Ex-Negative Earnings | 13.26 | 21.52 |
| Price-to-Cash Flow | 15.97 | 20.40 |
| Price-to-Book Value | 3.31 | 5.15 |
| 3-Year EPS Growth Rate | 6.77 | 7.66 |
| 5-Year EPS Growth Rate | 7.51 | 9.27 |
| Active Share | 92.39 | n/a |

**RISK STATISTICS
(3 YEAR)**

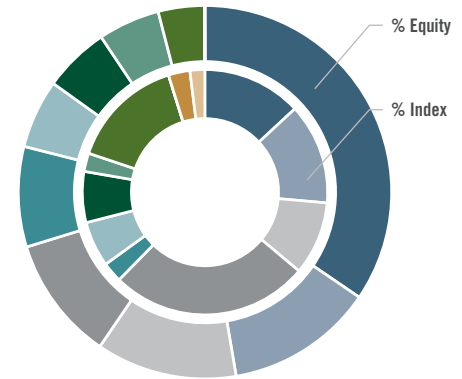
| | Fund | Index |
|--------------------|-------|-------|
| Alpha | -3.27 | n/a |
| Beta | 1.02 | 1.00 |
| R ² | 0.62 | 1.00 |
| Sharpe Ratio | 1.09 | 1.82 |
| Standard Deviation | 11.80 | 9.05 |

TOP TEN HOLDINGS

| | % Fund |
|---------------------------------------|--------|
| W&T Offshore, Inc. | 0.83 |
| NantKwest, Inc. | 0.75 |
| AquaBounty Technologies Inc | 0.73 |
| Intrexon Corporation | 0.73 |
| Transocean Ltd. | 0.71 |
| Continental Resources, Inc. | 0.67 |
| Viacom Inc. Class B | 0.66 |
| Lions Gate Entertainment Corp Class B | 0.65 |
| Under Armour, Inc. Class C | 0.65 |
| DSW Inc. Class A | 0.65 |

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



| | % Equity | % Index |
|----------------------------|----------|---------|
| Consumer Discretionary | 34.52 | 13.10 |
| Financials | 12.80 | 13.31 |
| Industrials | 12.20 | 9.70 |
| Information Technology | 10.73 | 26.25 |
| Real Estate | 8.69 | 2.65 |
| Energy | 5.96 | 6.00 |
| Consumer Staples | 5.71 | 6.71 |
| Materials | 5.34 | 2.43 |
| Health Care | 4.03 | 15.05 |
| Unassigned/Miscellaneous | 0.01 | 0.00 |
| Utilities | 0.00 | 2.83 |
| Telecommunication Services | 0.00 | 1.97 |

IMPORTANT RISK CONSIDERATIONS

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. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

Avg. Weighted Market Cap (bn): The total dollar market value of all of a company's outstanding shares. **Trailing P/E Ex-Negative Earnings:** Per share stock price divided by the latest 12-months earnings per share. **Price-to-Cash Flow:** Per-share stock price divided by the per-share operating cash flow. **Price-to-Book Value:** A ratio used to compare a stock's market value to its book value. **3-Year EPS Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year EPS Growth Rate:** Average of earnings per share growth for latest 5-year period. **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. **R²:** A measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. **Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk. **Index:** 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, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

Morningstar Rating™ for funds, or 'star rating,' is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effect of sales charges and loads.

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