INVESTMENT OVERVIEW
The Fund invests in floating rate leveraged loans and seeks to generate an attractive spread above LIBOR. A sound, transparent, and repeatable investment process leverages competitive advantages and aims to capture upside potential while limiting downside risk through rigorous fundamental analysis and a strict sell discipline.

KEY FEATURES
Diversification — Provides exposure to floating rate debt, which offers low correlations to other fixed income asset classes and has the potential to provide relatively high income
A Potential Hedge Against Rising Rates — Periodic coupon resets may help floating rate debt protect against interest rate risk and principal value fluctuations in rising interest rate periods
Higher Quality Loans — Emphasizes BB- and B-rated loans; seeks to invest in what are believed to be the healthiest and most undervalued credits in the non-investment grade space, identified through extensive bottom-up fundamental credit research

AVERAGE ANNUAL TOTAL RETURNS (%) as of 09/30/19

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.

Benchmark life performance is reported from 05/31/06.
The fund class gross expense ratio is 0.95%. The net expense ratio is 0.94%, which reflects a contractual expense reimbursement in effect through 4/30/2020.
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 2.75%. A contingent deferred sales charge of 0.50% 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 (%)

GROWTH OF $10,000

This chart assumes an initial investment of $10,000 made on 5/8/2006. As of 9/30/2019 the fund value would have been $16,282.60. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 2.75%.
Virtus Seix Floating Rate High Income Fund

Q3 19
Class A

as of 09/30/19

RATINGS DISTRIBUTION

<table>
<thead>
<tr>
<th>Rating</th>
<th>% Fund</th>
<th>NAV at Month-End</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>47.7%</td>
<td>1011778 BC Unlimited Liability Company, Term B-3 Loan, 02/16/2024</td>
</tr>
<tr>
<td>AAA</td>
<td>34.95%</td>
<td>$0.035863</td>
</tr>
<tr>
<td>BB</td>
<td>14.32%</td>
<td>$0.035417</td>
</tr>
<tr>
<td>B</td>
<td>1.64%</td>
<td>$0.030168</td>
</tr>
</tbody>
</table>

Top Ten Holdings

- Charter Communications Operating LLC, Term B Loan, 04/30/2025: 1.94
- Ziggo BV, Term Loan E, 04/15/2025: 1.88
- Harland Clarke Holdings Corp, Initial Term Loan, 11/03/2023: 1.84
- GGP Nimbus LLC, Initial Term B Loan, 08/27/2025: 1.70
- Level 3 Parent LLC, Tranche B 2024 Term Loan, 02/22/2024: 1.65
- INEOS US Finance LLC, 2024 Dollar Term Loan, 04/01/2024: 1.60
- William Morris Endeavor Entertainment LLC, New Term Loan B-1, 05/18/2025: 1.31
- Delli International LLC, REFINANCING TERM B-1 LOAN, 09/11/2025: 1.26
- Hilton Worldwide Finance LLC, Refinance Series B-2 Term Loan, 06/22/2026: 1.10
- TPG Growth Holdings LLC, Term Loan, 02/12/2024: 1.05

SECTOR ALLOCATIONS

- Cable: 9.57
- Chemicals: 7.90
- Information Technology: 7.69
- Telecommunications: 6.97
- Financial: 6.84
- Healthcare: 6.75
- Diversified Media: 6.43
- Services/Environmental/Other: 6.07
- Gaming/Leisure: 5.53
- Housing/Building Materials: 5.12
- Cash: 4.73
- Energy: 4.71
- Aerospace/Defense/Airlines: 3.68
- Utilities: 3.55
- Metals/Minerals: 3.27
- Food/Drug/Restaurants: 2.75
- Transportation: 2.68
- Broadcasting: 1.83
- Retail: 1.47
- Manufacturing/Capital Goods: 1.19
- Wireless: 0.73
- Consumer Non-Durables: 0.58
- Forest Products/Containers: 0.56

Holdings and sector weightings are subject to change.

RATINGS DISTRIBUTION METHODOLOGY

The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government's debt issues. The ratings apply to the fund's holdings and not the fund itself. Standard & Poor's, Moody's, and Fitch ratings are used. If all three agencies have rated the security, the median rating based on numerical equivalents is used. If only two agencies have rated the security, then the lower of the two ratings is used. If only one agency has rated the security, the rating from that agency is used. Credit ratings are subject to change. AAA, AA, and BBB are investment grade ratings. BB, B, CCC, and CC are below-investment grade ratings.

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. Morningstar-rated funds and open-ended mutual funds are considered a single population for comparative purposes. The ratings are based on the Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess returns 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, 65% five-year rating/35% 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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