

**INVESTMENT OVERVIEW**

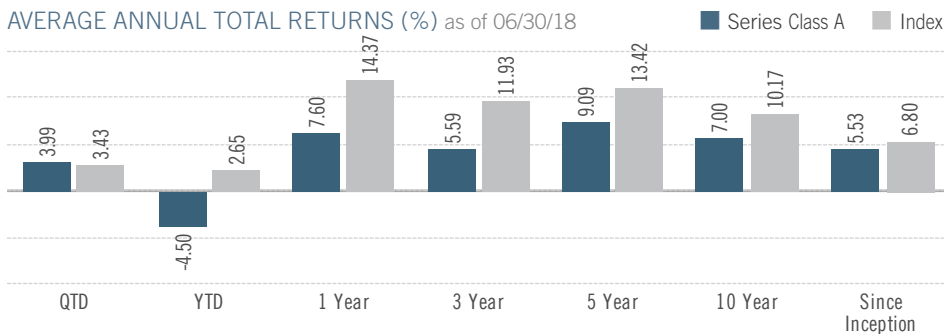
The Series provides exposure to U.S. equities with the goal of low tracking error relative to the S&P 500® Index. Slight tilts toward those areas demonstrating the strongest relative strength will be systematically incrementally overweighted. This, combined with an innovative options overlay strategy, seeks to provide greater returns than the S&P 500® Index with a similar level of risk.

**KEY FEATURES**

**Proprietary Options Trading Strategy** — The options strategy seeks to exploit pricing inefficiencies in the S&P 500® Index options market. This type of strategy tends to be less accessible and more difficult to consistently implement outside of professional investment management

**Lower Correlation** — Excess returns generated from the options strategy tend to be less correlated with equity markets

**Risk Mitigation** — All options trades are short dated and have defined loss parameters



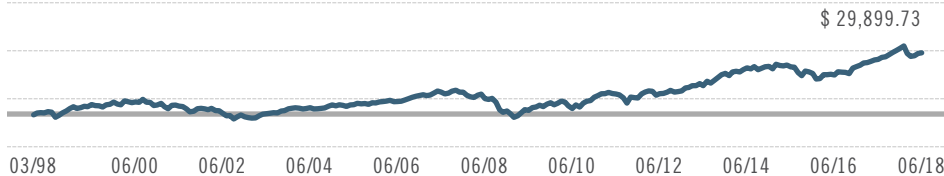
**Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, so your shares, when redeemed, may be worth more or less than their original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

The fund class gross expense ratio is 1.17%. The net expense ratio is 0.99%, which reflects a contractual expense reimbursement in effect through 4/30/2019. This ratio reflects the direct and indirect expenses paid by the Fund. The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 0.98%. 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.

**ANNUAL PERFORMANCE (%)**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Series	22.96	9.41	-8.91	9.64	31.81	14.77	-1.66	12.83	23.50	-34.93
Index	21.83	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00

**GROWTH OF \$10,000**



This chart assumes an initial investment of \$10,000 made on 3/2/1998. As of 6/29/2018 the fund value would have been \$29,899.73. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

**SERIES INFORMATION**

	CUSIP
A Shares	92829L208
Inception Date	03/02/98
AUM (\$ millions)	99.7
Number of Holdings	529
Dividends	Semi-Annually
Morningstar Category	Large Blend
Lipper Category	Large-Cap Core Funds
Index	S&P 500® Index

**MORNINGSTAR RATINGS**

Time Period	# of Stars	# of Funds
Overall	★	1,166
3 Year	★	1,166
5 Year	★	1,042
10 Year	★	776

Strong ratings are not indicative of positive fund performance.

**INVESTMENT ADVISER**

Virtus Investment Advisers, Inc.

**INVESTMENT SUBADVISER**



Rampart Investment Management, an investment management affiliate of Virtus Investment Partners, is one of the leading asset managers specializing in option strategies. A registered investment adviser since 1983, Rampart manages client positions and portfolios using domestic and international index and equity options.

**PORTFOLIO MANAGERS**

**Warun Kumar**  
Industry start date: 1993  
Start date with Series: 2016

**Michael Davis**  
Industry start date: 1999  
Start date with Series: 2016

**Brendan R. Finneran, CMT**  
Industry start date: 2003  
Start date with Series: 2016

**Robert F. Hofeman, Jr.**  
Industry start date: 2002  
Start date with Series: 2016

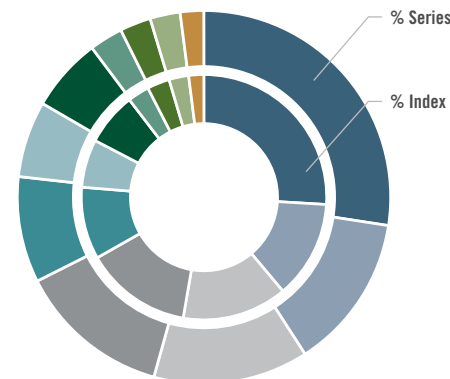
CHARACTERISTICS	Series	Index
Avg. Weighted Market Cap (bn)	218.95	217.30
Median Market Cap (bn)	20.69	20.65
Trailing P/E	21.12	21.06
Price-to-Cash Flow	18.54	18.44
Price-to-Book Value	4.72	4.68
3-Year EPS Growth Rate	8.72	8.52
5-Year EPS Growth Rate	8.50	8.33

RISK STATISTICS (3 YEAR)	Series	Index
Alpha	-6.39	n/a
Beta	1.06	1.00
R <sup>2</sup>	0.84	1.00
Sharpe Ratio	0.43	1.13
Standard Deviation	11.62	10.02

TOP TEN HOLDINGS	% Series
Apple Inc.	4.07
Microsoft Corporation	3.28
Invesco S&P 500 High Beta ETF	3.06
Amazon.com, Inc.	2.99
Facebook, Inc. Class A	2.03
Exxon Mobil Corporation	1.52
Alphabet Inc. Class C	1.47
Alphabet Inc. Class A	1.46
Berkshire Hathaway Inc. Class B	1.41
JPMorgan Chase & Co.	1.41

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



Sector	% Series	% Index
Information Technology	27.44	25.96
Consumer Discretionary	13.46	12.92
Financials	13.43	13.84
Health Care	13.27	14.07
Industrials	9.18	9.51
Energy	6.61	6.34
Consumer Staples	6.38	6.96
Real Estate	2.89	2.86
Utilities	2.69	2.95
Materials	2.62	2.60
Telecommunication Services	2.04	1.99

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. **Call/Put Spreads:** Buying and selling call and put option spreads on the SPX Index risks the loss of the premium when buying, can limit upside participation, and increase downside losses. **Portfolio Turnover:** The fund's principal investment strategies will result in a consistently high portfolio turnover rate. 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. **Fund of Funds:** Because the fund can invest in other funds, it indirectly bears its proportionate share of the operating expenses and management fees of the underlying fund(s). **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. **Options Overlay:** The options overlay strategy may not be successful in achieving its objective of increasing distributable income while limiting the risk of loss and, in periods of significant moves in the S&P 500® Index, has resulted and, in the future, may result in losses for investors.

GLOSSARY

**Avg. Weighted Market Cap (bn):** The total dollar market value of all of a company's outstanding shares. **Trailing P/E:** 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. **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. **R<sup>2</sup>:** 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.

The investments for the Series are managed by the same portfolio manager(s) who manage one or more other funds that have similar names, investment objectives and investment styles as the Series. You should be aware that the Series is likely to differ from the other mutual funds in size, cash flow pattern and tax matters. Accordingly, the holdings and performance of the Series can be expected to vary from those of the other mutual funds.

Shares of the separate Series of Virtus Variable Insurance Trust are sold only through the currently effective prospectuses and are not available to the general public. Shares of the VIT Series may be purchased only by life insurance companies to be used with their separate accounts which fund variable annuity and variable life insurance policies or qualified retirement plans and are also available as an underlying investment fund for certain qualified retirement plans. The performance information for the Series does not reflect fees and expenses of the insurance companies. If such fees and expenses were deducted, performance would be lower.

**Please carefully consider the investment objectives, risks, charges, and expenses of the Series before investing. For this and other information about any Virtus Variable Insurance Trust Series, call 1-800-367-5877 or visit virtus.com for a prospectus and/or summary prospectus. Read it carefully before you invest or send money.**

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INDEX DEFINITION

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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