INVESTMENT OVERVIEW
The Fund seeks attractive risk-adjusted total returns by investing in North American energy infrastructure. The highly experienced portfolio team applies a disciplined, bottom-up investment process, focusing on energy Midstream Master Limited Partnerships (MLPs), General Partners (GPs), and C-Corporations that own midstream oil and natural gas assets backed by long-term, fee-based contracts.

KEY FEATURES
Extensive Fundamental Research — Pursues attractive risk-adjusted total returns and growth opportunities across the U.S. energy value chain by analyzing supply/demand trends and individual company management strength
Strong Cash Flows — Long-term contracts and exposure to rising U.S. production and exports drive strong cash flow
Quality Focus — High-conviction portfolio of 30-40 securities emphasizes geographic footprints in high-quality basins of the U.S.

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

<table>
<thead>
<tr>
<th></th>
<th>Fund Class I</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>9.33</td>
<td>9.46</td>
</tr>
<tr>
<td>QTD</td>
<td>-1.61</td>
<td>-2.40</td>
</tr>
<tr>
<td>YTD</td>
<td>-0.53</td>
<td>n/a</td>
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</table>

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 2.55%. The net expense ratio is 1.18%, which reflects a contractual expense reimbursement in effect through 2/28/2020. 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 1.15%. 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 I shares have no sales charges or distribution or service fees, therefore their returns do not reflect these expenses. Fees and expenses vary, and other share classes are subject to sales charges and fees. Class I shares are offered primarily to eligible institutional investors who purchase the minimum amounts required as described in the prospectus and may not be available to all investors. For fund performance on other share classes, please visit www.virtus.com.

ANNUAL PERFORMANCE (%)

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</thead>
<tbody>
<tr>
<td>Fund</td>
<td>-17.16</td>
<td>-1.15</td>
<td>31.49</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
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<tr>
<td>Index</td>
<td>-12.42</td>
<td>-6.52</td>
<td>18.31</td>
<td>n/a</td>
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<td>n/a</td>
<td>n/a</td>
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<td>n/a</td>
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</table>

GROWTH OF $10,000

\[ \text{Growth} = 10,000 \times (1 + 0.0933)^{12} = 9,570.35 \]

This chart assumes an initial investment of $10,000 made on 9/9/2015. As of 9/30/2019 the fund value would have been $9,570.35. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

INVESTMENT ADVISER
Virtus Alternative Investment Advisers, Inc.

INVESTMENT SUBADVISER
Duff & Phelps Investment Management

MORNINGSTAR RATINGS

<table>
<thead>
<tr>
<th>Time Period</th>
<th># of Stars</th>
<th># of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>4/4</td>
<td>94</td>
</tr>
<tr>
<td>3 Year</td>
<td>4/4</td>
<td>94</td>
</tr>
<tr>
<td>5 Year</td>
<td>Not Rated</td>
<td>n/a</td>
</tr>
<tr>
<td>10 Year</td>
<td>Not Rated</td>
<td>n/a</td>
</tr>
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</table>

Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive future performance.

PORTFOLIO MANAGERS
David D. Grumhaus, Jr.
Industry start date: 1989
Start date as Fund Portfolio Manager: 2015

Charles Georgas, CFA
Industry start date: 1988
Start date as Fund Portfolio Manager: 2015
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. Energy Sector Concentration: The fund’s investments are concentrated in the energy sector and may present more risks than if the fund were broadly diversified over numerous sectors of the economy. MLPs: Investments in Master Limited Partnerships may be adversely impacted by tax law changes, regulation, or factors affecting underlying assets. Foreign Investing: Investing internationally involves additional risks such as currency, political, accounting, economic, and market risk. Non-Diversified: The fund is non-diversified and may be more susceptible to factors negatively impacting its holdings to the extent that each security represents a larger portion of the fund’s assets. Prospectus: For additional information on risks, please see the fund’s prospectus.

INDEX DEFINITION

The Alerian MLP Index is a composite of the 40 most prominent energy master limited partnerships (MLPs) that provide investors with an unbiased, comprehensive benchmark for this emerging asset class. The index is calculated using a float-adjusted, capitalization-weighted methodology, 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 places more emphasis on downward variations and 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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