

A curated collection of actively managed and index-based exchange-traded funds

## **Committed to stronger portfolios for investors**

Virtus Investment Partners is committed to addressing a wide range of investor needs by offering a choice of product solutions.

Virtus ETFs reflect the distinctive investment strategies of boutique asset managers, including Virtus affiliates and select subadvisers. Actively managed and index-based options are available for investors to build a core foundation or add diversification to a portfolio.

### Virtus WMC Global Factor Opportunities ETF VGFO

<b>Subadviser</b>	Wellington Management Company LLP
<b>Benchmark</b>	MSCI All Country World Index (ACWI)
<b>Expense Ratio</b>	0.49% gross/net
<b>Inception</b>	10/10/17

- Value, momentum, and quality factors are used to drive stock selection within four distinct world regions—the U.S., Japan, Europe, and emerging markets—to create a diversified portfolio able to adapt to changes in the risk environment
- Dynamic, global multi-factor strategy combines a quantitative investment approach with active management provided by Wellington, one of the world's largest global asset managers
- May be suitable for a core equity allocation, as part of a long-term growth strategy

### Virtus LifeSci Biotech Clinical Trials ETF BBC

<b>Index Provider</b>	LifeSci Index Partners, LLC
<b>Benchmark</b>	LifeSci Biotechnology Clinical Trials Index
<b>Expense Ratio</b>	0.79% gross/net
<b>Inception</b>	12/16/14

- Index-based healthcare strategy with a niche focus on typically smaller market cap biotechnology companies with lead drugs in the human clinical trials stage of development, but not yet FDA approved
- Index constituents are equal-weighted, reducing exposure to mega-cap biotechnology companies typically seen in traditional market cap-weighted biotechnology indexes
- Offers an opportunity to gain exposure to a higher growth (and higher risk) area of the biotechnology industry

### Virtus LifeSci Biotech Products ETF BBP

<b>Index Provider</b>	LifeSci Index Partners, LLC
<b>Benchmark</b>	LifeSci Biotechnology Products Index
<b>Expense Ratio</b>	0.79% gross/net
<b>Inception</b>	12/16/14

- Index-based biotechnology ETF picks up where BBC leaves off, investing in biotechnology companies with lead drugs that have received FDA approval and are ready for marketing
- Index constituents are typically larger market cap companies selected by a diverse team of experienced healthcare and investment professionals with backgrounds in biotechnology, pharmaceuticals, and organic chemistry research
- Offers a way to diversify a healthcare allocation with more established biotechnology companies

### Virtus Enhanced Short U.S. Equity ETF VESH

<b>Subadviser</b>	Rampart Investment Management Co., LLC
<b>Benchmark</b>	S&P 500® Index
<b>Expense Ratio</b>	0.55% gross/net
<b>Inception</b>	6/26/17

- Offers short exposure to the U.S. large-cap equity market through a portfolio of index-linked futures contracts that are rebalanced monthly
- Unlike many “inverse” ETFs, the Fund does not rebalance daily and does not utilize swaps
- May be appropriate for investors seeking to express a bearish view on the U.S. stock market and/or a tactical hedge exposure to U.S. equities

### Reaves Utilities ETF UTES

<b>Subadviser</b>	Reaves Asset Management
<b>Benchmark</b>	S&P 500® Utilities Index
<b>Expense Ratio</b>	0.95% gross/net
<b>Inception</b>	9/23/15

- The first actively managed utilities ETF provides access to the expertise of an institutional manager dedicated to sector investment research since 1961
- Reaves' concentrated portfolio invests in regulated utility companies with the greatest potential for growth in earnings, dividends, and cash flow
- Offers a complementary source of income to fixed income strategies

### Virtus Glovista Emerging Markets ETF EMEM

<b>Subadviser</b>	Glovista Investments LLC
<b>Benchmark</b>	Solactive Most Favored Nations Emerging Markets Index
<b>Expense Ratio</b>	0.71% gross / 0.68% net
<b>Inception</b>	11/7/17

- Provides passive, diversified exposure to stocks in select “most favored” emerging market (EM) countries, while seeking to avoid stocks from the weakest EM countries
- Leverages Glovista's extensive EM expertise and proprietary quantitative methodology that emphasizes countries and currencies
- Offers investors an opportunity to participate in global growth through an alternative to traditional, market cap-weighted EM ETFs, which heavily allocate to Chinese stocks

### iSectors® Post-MPT Growth ETF PMPT

<b>Subadviser</b>	iSectors, LLC
<b>Benchmark</b>	S&P 500® Index
<b>Expense Ratio</b>	1.22% gross / 1.02% net
<b>Inception</b>	8/16/16

- Dynamic asset allocation “fund of funds” that seeks to outperform the S&P 500® with lower downside risk over a full market cycle
- iSectors adheres to a proprietary, rules-based approach to asset allocation built upon Modern Portfolio Theory, taking into account changes in more than a dozen capital market and economic factors
- Allocates among up to nine low-correlated asset classes and/or sectors of the U.S. securities markets: basic materials, bonds, energy, financials, gold, healthcare, real estate, technology, and utilities

**Virtus Newfleet Dynamic Credit ETF****BLHY**

<b>Subadviser</b>	Newfleet Asset Management, LLC
<b>Benchmark</b>	50% S&P/LSTA Leveraged Loan Index/ 50% Bloomberg Barclays High Yield 2% Issuer Capped Bond Index
<b>Expense Ratio</b>	0.76% gross / 0.71% net
<b>Inception</b>	12/5/16

- Invests in high yield corporate bonds and floating rate bank loans for higher income potential—with the ability to “dial down” risk by allocating up to 100% in U.S. Treasuries
- Newfleet has deep expertise in both asset classes and long-standing experience managing multi-sector portfolios over full market cycles
- May provide a hedge against rising interest rates and enhance the diversification of a core fixed income portfolio

**Virtus Newfleet Multi-Sector Bond ETF****NFLT**

<b>Subadviser</b>	Newfleet Asset Management, LLC
<b>Benchmark</b>	Bloomberg Barclays U.S. Aggregate Bond Index
<b>Expense Ratio</b>	0.82% gross / 0.80% net
<b>Inception</b>	8/10/15

- Dynamic, global bond strategy with the flexibility to invest across all fixed income sectors and the ability to adjust quickly in changing markets
- Newfleet’s hallmark multi-sector approach, honed over three decades, combines active sector rotation and disciplined risk management
- A “new core” diversifier to traditional fixed income portfolios

**Virtus Cumberland Municipal Bond ETF****CUMB**

<b>Subadviser</b>	Cumberland Advisors
<b>Benchmark</b>	Bloomberg Barclays Municipal Bond Index
<b>Expense Ratio</b>	1.21% gross / 0.59% net
<b>Inception</b>	1/17/17

- Active access to the municipal bond market through an experienced sector specialist that has managed bond portfolios for over 40 years
- Cumberland allocates across local, state, and federal municipal bonds, placing an emphasis on quality issues and the ability to favor shorter maturities should interest rates rise
- Offers attractive tax-free income and enhanced diversification potential

**InfraCap REIT Preferred ETF****PFFR**

<b>Subadviser</b>	Infrastructure Capital Advisors, LLC
<b>Benchmark</b>	INDXX REIT Preferred Stock Index
<b>Expense Ratio</b>	0.45% gross/net
<b>Inception</b>	2/7/17

- Offers targeted exposure to the real estate sector and attractive income potential by investing in high yielding, preferred securities issued by real estate investment trusts (REITs)
- Index-tracking strategy expands InfraCap’s expertise in yield-producing investment strategies within key infrastructure sectors
- May be used to diversify a portfolio’s income stream

**InfraCap MLP ETF****AMZA**

<b>Subadviser</b>	Infrastructure Capital Advisors, LLC
<b>Benchmark</b>	Alerian MLP Infrastructure Index
<b>Expense Ratio</b>	1.93% gross/net
<b>Inception</b>	10/1/14

- Actively managed strategy provides pure exposure to master limited partnerships (MLPs) in the U.S. midstream energy sector and offers attractive current income and growth potential
- InfraCap seeks total-return opportunities in key infrastructure sectors, focusing on companies that generate and distribute substantial streams of free cash flow
- Utilizes modest leverage (typically 20-30%) to enhance MLP beta; options strategies are employed in an effort to enhance current income and manage risk

**InfraCap U.S. Preferred Stock ETF****PFFA**

<b>Subadviser</b>	Infrastructure Capital Advisors, LLC
<b>Benchmark</b>	S&P U.S. Preferred Stock Index
<b>Expense Ratio</b>	1.36% gross/net
<b>Inception</b>	5/15/18

- Invests in a portfolio of over 100 preferred securities issued by U.S. companies with market capitalizations of over \$100 million, selecting securities and weightings using a variety of quantitative, qualitative, and relative valuation factors
- Modest leverage (typically 20-30%) is utilized to enhanced portfolio beta, and options strategies are used in an effort to enhance current income
- Offers the potential for attractive yields, while pursuing compelling total return results

To learn more about Virtus ETFs,  
visit [Virtus.com](http://Virtus.com) or call 1-800-243-4361.

## IMPORTANT RISK CONSIDERATIONS:

**VGFO:** 1,4,11,14,23,29; **BBC:** 2,4,5,6,7,8; **BBP:** 2,4,5,6,7,8; **UTES:** 1,2,3,4; **EMEM:** 1,2,4,6,7,11,30; **VESH:** 2,4,7,8,14,19; **BLHY:** 4,5,9,10,11,12,13,15; **NFLT:** 4,9,10,11,12,13,14; **CUMB:** 4,9,15,16,17; **PFFR:** 2,4,6,22,23,24,25; **AMZA:** 2,4,8,14,18,19,20,21; **PFFA:** 4,7,8,14,19,20,22; **PMPT:** 4,26,27,28.

- 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.
- Utilities Sector Concentration:** The fund's investments are concentrated in the utilities sector and may present more risks than if the fund were broadly diversified over numerous sectors of the economy.
- Exchange-Traded Funds:** The value of an ETF may be more volatile than the underlying portfolio of securities the ETF is designed to track. The costs of owning the ETF may exceed the cost of investing directly in the underlying securities.
- 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.
- 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.
- No Guarantee:** There is no guarantee that the portfolio will meet its objective.
- Credit & Interest:** Debt securities are subject to various risks, the most prominent of which are credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt securities may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities.
- High Yield-High Risk Fixed Income Securities:** There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities.
- Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk.
- Bank Loans:** Loans may be unsecured or not fully collateralized, may be subject to restrictions on resale and/or trade infrequently on the secondary market. Loans can carry significant credit and call risk, can be difficult to value, and have longer settlement times than other investments, which can make loans relatively illiquid at times.
- ABS/MBS:** Changes in interest rates can cause both extension and prepayment risks for asset- and mortgage-backed securities. These securities are also subject to risks associated with the repayment of underlying collateral.
- Derivatives:** Investments in derivatives such as futures, options, forwards, and swaps may increase volatility or cause a loss greater than the principal investment.
- Tax Liability:** Noncompliant conduct by a municipal bond issuer, or adverse interpretations, could cause interest from a security to become taxable, subjecting shareholders to increased tax liability.
- Municipal Market:** Events negatively impacting a municipal security, or the municipal bond market in general, may cause the fund to decrease in value.
- State & AMT Tax:** A portion of income may be subject to some state and/or local taxes and, for certain investors, a portion may be subject to the federal alternative minimum tax.
- MLP Interest Rates:** As yield-based investments, MLPs carry interest rate risk and may underperform in rising interest rate environments. Additionally, when investors have heightened fears about the economy, the risk spread between MLPs and competing investment options can widen, which may have an adverse effect on the stock price of MLPs. Rising interest rates may increase the potential cost of MLPs financing projects or cost of operations, and may affect the demand for MLP investments, either of which may result in lower performance by or distributions from the Fund's MLP investments.
- Short Sales:** The fund may engage in short sales, and may experience a loss if the price of a borrowed security increases before the date on which the fund replaces the security.
- Leverage:** When a fund leverages its portfolio, the value of its shares may be more volatile and all other risks may be compounded.
- MLPs:** Investments in Master Limited Partnerships may be adversely impacted by tax law changes, regulation, or factors affecting underlying assets.
- Preferred Stocks:** Preferred stocks may decline in price, fail to pay dividends, or be illiquid.
- Real Estate Investments:** The fund may be negatively affected by factors specific to the real estate market, including interest rates, leverage, property, and management.
- Passive Strategy/Index Risk:** A passive investment strategy seeking to track the performance of the underlying index may result in the fund holding securities regardless of market conditions or their current or projected performance. This could cause the fund's returns to be lower than if the fund employed an active strategy.
- Market Volatility:** Securities in the fund may go up or down in response to the prospects of individual companies and general economic conditions. Price changes may be short or long term.
- Allocation:** The fund's exposure to different asset classes may not be optimal for market conditions at a given time. Asset allocation does not guarantee a profit or protect against a loss in declining markets.
- 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.
- Leveraged ETFs:** The fund may invest in leveraged ETFs, which are generally non-diversified, and include the risks associated with use of derivatives, imperfect benchmark correlation, leverage, and market price variance, each of which can increase volatility and significantly decrease performance.
- Geographic Concentration:** Events negatively affecting the fiscal stability of a state, country, or region will cause the value of the fund's shares to decrease. Because the fund concentrates its assets in a state, country, or region, the fund is more vulnerable to those areas' financial, economic, or other political developments.
- 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).

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

**FEES AND EXPENSES:** VGFO: 1; UTES: 2; BBC: 3; BBP: 3; EMEM: 4; VESH: 3; BLHY: 5; NFLT: 6; PFFR: 3; AMZA: 7; CUMB: 8; PMPT: 9; PFFA: 10.

<sup>1</sup>Expenses are based on estimated amounts for the current fiscal year. 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. <sup>2</sup>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. <sup>3</sup>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. <sup>4</sup>Expenses are based on estimated amounts for the current fiscal year. The fund's management fee 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. The Fund's investment adviser has contractually agreed to waive a portion of the Fund's total operating expenses equal to 0.03% of the Fund's average daily net assets, which will have the effect of reducing the Acquired Fund Fees and Expenses. Unless the Adviser continues the Fee Waiver Agreement, it will terminate on February 28, 2019. <sup>5</sup>The Fund's investment adviser has entered into an expense limitation agreement to limit the Fund's total operating expenses (excluding the management fees paid to the Fund's adviser and subadviser and certain other expenses as described in the prospectus) so that such expenses do not exceed 0.68% of the Fund's average daily net assets through November 28, 2018. <sup>6</sup>The Fund's investment adviser has entered into an expense limitation agreement to limit the Fund's total operating expenses (excluding certain expenses, including acquired fund fees and expenses, as described in the prospectus) so that such expenses do not exceed 0.80% of the Fund's average daily net assets through February 28, 2019. <sup>7</sup>The gross expense ratio includes deferred income tax expense. The Gross Expense Ratio represents the Fund's Total Annual Fund Operating Expenses, which includes a management fee, structured as a "unified fee," out of which the Fund's subadviser pays all routine expenses, except for certain payments as described in the prospectus, which are paid by the Fund. The Fund's accrued deferred tax liability, if any, is included in the Total Annual Fund Operating Expenses, as described in the prospectus and reflected each day in the Fund's NAV. <sup>8</sup>The Fund's investment adviser has entered into an expense limitation agreement to limit the Fund's total operating expenses (excluding the management fees paid to the Fund's adviser and subadviser and certain other expenses as described in the prospectus) so that such expenses do not exceed 0.59% of the Fund's average daily net assets through February 28, 2019. <sup>9</sup>The Fund's investment subadviser has entered into an expense limitation agreement to limit the Fund's total operating expenses (excluding certain expenses, including acquired fund fees expenses, as described in the prospectus) so that such expenses do not exceed 0.75% of the Fund's average daily net assets through February 28, 2019. <sup>10</sup>Expenses are based on estimated amounts for the current fiscal year. The gross expense ratio represents the Fund's Total Annual Fund Operating Expenses, which includes a management fee, structured as a "unified fee," out of which the Fund's subadviser pays all routine expenses, except for certain payments as described in the prospectus, which are paid by the Fund.

The **Alerian MLP Infrastructure Index** is a composite of energy infrastructure Master Limited Partnerships (MLPs), whose constituents earn the majority of their cash flow from the transportation, storage, and processing of energy commodities. The index is calculated using a float-adjusted, capitalization-weighted methodology on a total-return basis. The **Bloomberg Barclays Municipal Bond Index** is a market-capitalization-weighted index that measures the long-term tax-exempt bond market. The index is calculated on a total return basis. The **Bloomberg Barclays U.S. Aggregate Bond Index** measures the U.S. investment grade fixed rate bond market. The index is calculated on a total return basis. The **INDXX REIT Preferred Stock Index** is a market-cap-weighted index designed to provide diversified exposure to high yielding liquid preferred securities issued by Real Estate Investment Trusts listed in the U.S. 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 **LifeSci Biotechnology Products Index** is designed to track the performance of U.S. listed biotechnology stocks with at least one drug therapy approved by the U.S. Food and Drug Administration for marketing. The **MSCI All Country World Index (net)** is a free-float-adjusted, market-capitalization-weighted index that measures equity performance of developed and emerging markets. The index is calculated on a total return basis with net dividends reinvested. The **Solactive Most Favored Nations Emerging Markets Index (net)** includes stocks selected from a universe of large, liquid emerging market (EM) countries (currently 15), and designed to provide diversified exposure to stocks within large, liquid EM countries while avoiding exposure to stocks within the weakest EM countries, based on Glovista Investments' proprietary quantitative methodology. 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 price return basis. The **S&P 500® Utilities Index** is a free-float-market-capitalization-weighted index comprised of companies included in the S&P 500 utilities sector. The index is calculated on a total return basis with dividends reinvested. The **S&P U.S. Preferred Stock Index** is designed to measure the performance of the U.S. preferred stock market. Preferred stocks pay dividends at a specified rate and receive preference over common stocks in terms of dividend payments and liquidation of assets. The composite index of **50% S&P/LSTA Leveraged Loan / 50% Bloomberg Barclays High Yield 2% Issuer Capped Bond Index** consists of 50% S&P/LSTA Leveraged Loan Index (an index that tracks the current outstanding balance and spread over LIBOR for fully funded term loans representing a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers, calculated on a total return basis) and 50% Bloomberg Barclays U.S. High-Yield 2% Issuer Capped Bond Index (a market-capitalization-weighted index that measures fixed rate, non-investment grade debt securities of U.S. and non-U.S. corporations, with no single issuer accounting for more than 2% of market cap, calculated on a total return basis). The indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and are not available for direct investment.

Effective March 1, 2018, the Virtus Newfleet Multi-Sector Bond ETF changed its name from Virtus Newfleet Multi-Sector Unconstrained Bond ETF.

**You should consider a Fund's investment objectives, risks, charges, and expenses before investing. Contact Virtus at 1-800-243-4361 or visit [virtus.com](http://virtus.com) to obtain a prospectus which contains this and other information about the Fund. Read the prospectus carefully before investing.**

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