


**Virtus Ceredex Small-Cap Value Equity Fund**

	Ticker	CUSIP
A Shares	SASVX	92837F433
C Shares	STCEX	92837F425
I Shares	SCETX	92837F417

Inception Date: 01/31/97

AUM (\$ millions): 610.5

Number of Holdings: 81

Dividends: Semi-Annually

Morningstar Category: Small Blend

Lipper Category: Small-Cap Core Funds

Index: Russell 2000® Value Index

## PORTFOLIO MANAGER

**Brett Barner, CFA**

Industry start date: 1985

Start date as Fund Portfolio Manager: 1995

## KEY FEATURES

**Low Valuation Levels** — Searches for small-cap stocks trading at the lower end of historical valuation ranges relative to peers, industry, market, and company history

**The Power of Dividends** — Dividend-paying stocks offer insights into company earnings potential and provide an added total return source that can help lower overall volatility

**Extensive Fundamental Research** — Bottom-up analysis strives to identify catalysts that could drive meaningful price gains, such as new management, restructurings, or product innovations


**Virtus KAR Small-Cap Value Fund**

	Ticker	CUSIP
A Shares	PQSAX	92828N684
C Shares	PQSCX	92828N676
I Shares	PXQSX	92828N668
R6 Shares	VQSRX	92828N411

Inception Date: 06/28/06

AUM (\$ millions): 573.2

Number of Holdings: 28

Dividends: Semi-Annually

Morningstar Category: Small Growth

Lipper Category: Small-Cap Growth Funds

Index: Russell 2000® Value Index

## PORTFOLIO MANAGERS

**Julie Kutasov**

Industry start date: 2001

Start date as Fund Portfolio Manager: 2008

**Craig Stone**

Industry start date: 1989

Start date as Fund Portfolio Manager: 2009

## KEY FEATURES

**High-Quality Businesses** — Searches for quality small-cap stocks with solid balance sheets, consistent growth, profitability, and market dominant business models

**Lower Volatility Approach** — Extensive fundamental research favors companies with less business risk, as defined by lower earnings variability, consistent and profitable growth, high returns on capital, strong free cash flow, and a low organic need for external financing, all of which can help to protect profits in difficult markets

**High-Conviction Portfolio** — Focused on the portfolio team's 25-35 strongest investment opportunities, with a long-term, low-turnover approach to realize full stock value potential

*Effective July 31, 2018, the Virtus KAR Small-Cap Core Fund is closed to new investors. Effective September 28, 2018, the Virtus KAR Small-Cap Growth Fund is closed to new investors. Please see the prospectuses for exceptions.*

**Virtus KAR Small-Cap Core Fund**

	Ticker	CUSIP
A Shares	PKSAX	92828N551
C Shares	PKSCX	92828N536
I Shares	PKSFX	92828N528
R6 Shares	VSCRX	92828N429

Inception Date: 10/18/96

AUM (\$ millions): 1,446.0

Number of Holdings: 27

Dividends: Semi-Annually

Morningstar Category: Small Growth

Lipper Category: Small-Cap Growth Funds

Index: Russell 2000® Index

## PORTFOLIO MANAGERS

**Jon Christensen, CFA**

Industry start date: 1995

Start date as Fund Portfolio Manager: 2008

**Todd Beiley, CFA**

Industry start date: 1999

Start date as Fund Portfolio Manager: 2009

## KEY FEATURES

**High-Quality Businesses** — Searches for quality small-cap stocks with solid balance sheets, consistent growth, profitability, and market dominant business models

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**Virtus KAR Small-Cap Growth Fund**

	Ticker	CUSIP
A Shares	PSGAX	92828N627
C Shares	PSGCX	92828N619
I Shares	PXSGX	92828N593
R6 Shares	VRSGX	92828N247

Inception Date: 06/28/06

AUM (\$ millions): 4,826.3

Number of Holdings: 27

Dividends: Semi-Annually

Morningstar Category: Small Growth

Lipper Category: Small-Cap Growth Funds

Index: Russell 2000® Growth Index

## PORTFOLIO MANAGERS

**Jon Christensen, CFA**

Industry start date: 1995

Start date as Fund Portfolio Manager: 2009

**Todd Beiley, CFA**

Industry start date: 1999

Start date as Fund Portfolio Manager: 2008

## KEY FEATURES

**High-Quality Businesses** — Searches for quality small-cap stocks with solid balance sheets, consistent growth, profitability, and market dominant business models

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**Virtus Silvant Small-Cap Growth Stock Fund**

	Ticker	CUSIP
A Shares	SCGIX	92837F359
C Shares	SSCFX	92837F342
I Shares	SSCTX	92837F334

Inception Date: 10/08/98

AUM (\$ millions): 29.4

Number of Holdings: 81

Dividends: Semi-Annually

Morningstar Category: Small Growth

Lipper Category: Small-Cap Growth Funds

Index: Russell 2000® Growth Index

## PORTFOLIO MANAGERS

**Michael A. Sansoterra**

Industry start date: 1996

Start date as Fund Portfolio Manager: 2007

**Sandeep Bhatia, Ph.D., CFA**

Industry start date: 2000

Start date as Fund Portfolio Manager: 2011

## KEY FEATURES

**Growth as a Condition, Not a Category** — Searches for small-cap growth opportunities across the market, including segments overlooked by many traditional growth managers

**Extensive Fundamental Research** — Bottom-up analysis strives to identify well-run businesses with positive investment characteristics and potential to grow earnings faster than peers

**Focused on True Game Changers** — Evaluates secular trends and disruptive products and services with potential to disrupt the business landscape and exceed investor expectations

AVERAGE ANNUAL TOTAL RETURNS Class I as of 3/31/19 in percent

**Virtus Ceredex Small-Cap Value Equity Fund (I: SCETX)**

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Incep. 1/31/1997
NAV	11.33	11.33	1.48	8.73	5.86	14.11	10.12
Index <sup>1</sup>	11.93	11.93	0.17	10.86	5.59	14.12	8.89

The fund class gross expense ratio is 1.18%.

**Virtus KAR Small-Cap Value Fund (I: PXQSX)**

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Incep. 6/28/2006
NAV	10.88	10.88	-4.20	9.30	7.68	15.27	8.12
Index <sup>1</sup>	11.93	11.93	0.17	10.86	5.59	14.12	6.62

The fund class gross expense ratio is 0.99%.

**Virtus KAR Small-Cap Core Fund (I: PKSFY)**

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Incep. 10/18/1996
NAV	21.42	21.42	12.35	22.41	15.87	19.25	10.47
Index <sup>2</sup>	14.58	14.58	2.05	12.92	7.05	15.36	8.28

The fund class gross expense ratio is 1.03% and reflects the direct and indirect expenses paid by the Fund. The gross expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.01%.

**Virtus KAR Small-Cap Growth Fund (I: PXSGX)**

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Incep. 6/28/2006
NAV	22.20	22.20	23.07	28.68	20.54	21.99	12.53
Index <sup>3</sup>	17.14	17.14	3.85	14.87	8.41	16.52	9.25

The fund class gross expense ratio is 1.14% and reflects the direct and indirect expenses paid by the Fund. The gross expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.10%.

**Virtus Silvant Small-Cap Growth Stock Fund (I: SSCTX)**

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Incep. 10/08/1998
NAV	22.78	22.78	12.82	14.92	6.53	14.83	9.86
Index <sup>3</sup>	17.14	17.14	3.85	14.87	8.41	16.52	9.01

The fund class gross expense ratio is 1.49%. The net expense ratio is 1.15%, which reflects a contractual expense reimbursement in effect through 4/30/2020.

<sup>1</sup>The Russell 2000® Value Index is a market capitalization-weighted index of value-oriented stocks of the smallest 2,000 companies in the Russell Universe, which comprises the 3,000 largest U.S. companies.  
<sup>2</sup>The Russell 2000® Index is a market capitalization-weighted index of the 2,000 smallest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies.  
<sup>3</sup>The Russell 2000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the smallest 2,000 companies in the Russell Universe, which comprises the 3,000 largest U.S. companies. These indexes are calculated on a total return basis with dividends reinvested. These indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and are not available for direct investment.

**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. **Value Stocks:** Value stocks are subject to the risk that the broad market may not recognize their intrinsic value. **Limited Number of Investments:** Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a less concentrated fund. **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. **Growth Stocks:** Growth stocks are typically sensitive to market movements because their market prices tend to reflect future expectations. When it appears those expectations will not be met, the prices of growth stocks typically fall. **Prospectus:** For additional information on risks, please see the fund's prospectus.

**Please carefully consider a Fund's investment objectives, risks, charges, and expenses before investing. For this and other information about any Virtus mutual fund, contact your financial representative, call 1-800-243-4361, or visit virtus.com for a prospectus or summary prospectus. Read it carefully before investing.**

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MORNINGSTAR RATINGS

**Small Blend Category**

Time Period	# of Stars	# of Funds
Overall	★★★	634
3 Year	★★★	634
5 Year	★★★	519
10 Year	★★★	382

Strong ratings are not indicative of positive fund performance.

**Small Growth Category**

Time Period	# of Stars	# of Funds
Overall	★★★	588
3 Year	★	588
5 Year	★★★	522
10 Year	★★★	392

Strong ratings are not indicative of positive fund performance.

**Small Growth Category**

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**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.**

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](http://www.virtus.com).

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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