

# A DISTINCTIVE COLLECTION OF INNOVATIVE INVESTMENT STRATEGIES



## Income Focused

Ticker	ETF Name	Strategy	Focus
<b>PFFA</b>	Virtus InfraCap U.S. Preferred Stock ETF	Active	Modestly leveraged preferred securities
<b>VABS</b>	Virtus Newfleet ABS/MBS ETF	Active	Short-duration, investment-grade securitized credit
<b>NFLT</b>	Virtus Newfleet Multi-Sector Bond ETF	Active	Fixed income across all sectors, currencies, and credits
<b>SDCP</b>	Virtus Newfleet Short Duration Core Plus Bond ETF	Active	Short-duration, investment-grade bonds with flexibility to own non-investment grade sectors
<b>VSHY</b>	Virtus Newfleet Short Duration High Yield Bond ETF*	Active	Short-duration, non-investment grade corporate bonds
<b>VPC</b>	Virtus Private Credit ETF	Index-based	U.S.-listed BDCs and CEFs
<b>VRAI</b>	Virtus Real Asset Income ETF	Index-based	REITs, infrastructure, and natural resources equities
<b>UTES</b>	Virtus Reaves Utilities ETF	Active	Utility stocks
<b>SEIX</b>	Virtus Seix Senior Loan ETF	Active	Senior-secured, floating rate leveraged loans
<b>VEMY</b>	Virtus Stone Harbor Emerging Markets High Yield Bond ETF	Active	Emerging market high yield sovereign and corporate debt
<b>VWID</b>	Virtus WMC International Dividend ETF	Active	International, developed markets dividend stocks
<b>AMZA</b>	InfraCap MLP ETF	Active	Modestly leveraged MLP exposure with options overlay
<b>PFFR</b>	InfraCap REIT Preferred ETF	Index-based	Preferred securities issued by REITs

## Equity Focused

Ticker	ETF Name	Strategy	Focus
<b>VCLN</b>	Virtus Duff & Phelps Clean Energy ETF	Active	Global clean energy stocks
<b>BBC</b>	Virtus LifeSci Biotech Clinical Trials ETF	Index-based	Biotech stocks with drugs in clinical trials
<b>BBP</b>	Virtus LifeSci Biotech Products ETF	Index-based	Biotech stocks with FDA approved drugs
<b>JOET</b>	Virtus Terranova U.S. Quality Momentum ETF	Index-based	Large-cap quality momentum stocks

## Alternatives

Ticker	ETF Name	Strategy	Focus
<b>ASMF</b>	Virtus AlphaSimplex Managed Futures ETF	Active	CTA replication strategy

\* Effective November 28, 2023, this Fund's name, ticker, and investment opportunity have changed.

**IMPORTANT RISK CONSIDERATIONS—AMZA:** 16, 32, 13, 27, 35, 30, 31, 40; **ASMf:** 16, 10, 15, 26, 7, 9, 18, 27, 17, 27, 41, 30, 31, 40; **BBC & BBP:** 16, 15, 24, 36, 5, 30, 31, 40; **JOET:** 16, 15, 33, 36, 30, 5, 31, 40; **NFLI:** 16, 8, 22, 2, 1, 18, 30, 31, 40; **PFFA:** 16, 38, 27, 34, 30, 31, 40; **PFFR:** 16, 14, 38, 24, 36, 5, 42, 44, 30, 34, 31, 40; **SDCP:** 16, 8, 19, 1, 22, 30, 31, 40; **SEIX:** 16, 8, 22, 2, 18, 30, 31, 40; **UTES:** 16, 15, 45, 30, 31, 40; **VABS:** 16, 1, 8, 46, 10, 43, 30, 31, 40; **VCLN:** 16, 15, 3, 28, 18, 34, 30, 31, 40; **VEMY:** 16, 12, 22, 8, 23, 19, 30, 9, 6, 34, 29, 31, 40; **VPC:** 16, 39, 15, 8, 22, 20, 36, 5, 30, 4, 31, 40; **VRAI:** 16, 15, 14, 25, 32, 36, 5, 30, 31, 40; **VSHY:** 16, 8, 22, 19, 24, 30, 31, 40; **VWID:** 16, 15, 19, 11, 21, 30, 31, 40.

- 1. 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 non-repayment of underlying collateral, including losses to the fund.
- 2. 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 are subject to credit and call risk, may be difficult to value, and have longer settlement times than other investments, which can make loans relatively illiquid at times.
- 3. Clean Energy Industry:** Developments in the clean energy segment could adversely affect the price and valuations of portfolio holdings. These developments include swift price and supply fluctuations caused by events relating to international politics, the success of project development, and tax and other governmental regulatory policies. There could also be weak demand for clean energy company products or services, the obsolescence of existing technology or short product cycles, and falling prices and profits due to the supply of, and demand for, oil and gas along with competition from new market entrants.
- 4. Closed-End Funds:** Closed-end funds may trade at a discount or premium from their net asset values, which may affect whether an investor will realize gains or losses. They may also employ leverage, which may increase volatility.
- 5. Correlation to Index:** The performance of the fund and its index may vary due to factors such as fund flows, transaction costs, whether the fund obtains every security in the index, and timing differences associated with additions to and deletions from its index.
- 6. Counterparty Risk:** There is risk that a party upon whom the fund relies to complete a transaction will default.
- 7. Credit Risk:** If the issuer of a debt instrument fails to pay interest or principal in a timely manner, or negative perceptions exist in the market of the issuer's ability to make such payments, the price of the security may decline.
- 8. Credit & Interest:** Debt instruments are subject to various risks, including credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities.
- 9. Currency Rate:** Fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect the value of the fund's shares.
- 10. Derivatives:** Derivatives may include, among other things, futures, options, forwards and swap agreements and may be used in order to hedge portfolio risks, create leverage, or attempt to increase returns.
- 11. Dividend Paying Securities:** Issuers that have paid regular dividends or distributions may not continue to do so in the future and can fall out of favor with the market, which may cause the portfolio to underperform. Securities with higher dividend yields can be sensitive to interest rate movements: when interest rates rise, the prices of these securities may fall.
- 12. Emerging Markets Investing:** Emerging markets securities may be more volatile, or more greatly affected by negative conditions, than those of their counterparts in more established foreign markets. Such securities may also be subject to Sanctions Risk.
- 13. Energy Industry Concentration:** The fund's investments are concentrated in the energy industry and presents greater risks than if the fund were broadly diversified over numerous sectors of the economy.
- 14. Equity REITs:** The fund may be negatively affected by factors specific to the real estate market, such as interest rates, leverage, property, and management; and factors specific to investing in a pooled vehicle such as poor management and concentration risk.
- 15. 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.
- 16. Exchange-Traded Funds (ETF):** The value of an ETF may be more volatile than the underlying portfolio of securities it is designed to track. The costs to the fund of owning shares of an ETF may exceed the cost of investing directly in the underlying securities.
- 17. Financial Concentration:** Because the portfolio is presently heavily weighted in the financial sector, it will be impacted by that sector's performance more than a portfolio with broader sector diversification.
- 18. Foreign & Emerging Markets:** Investing in foreign securities, especially in emerging markets, subjects the fund to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk.
- 19. Foreign Investing:** Investing in foreign securities subjects the fund to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk.
- 20. Fund of Funds:** Because the fund can invest in other funds, it bears its proportionate share of the operating expenses and management fees of, and may be adversely affect by, the underlying fund(s).
- 21. Geographic Concentration:** A fund that focuses its investments in a particular geographic location will be sensitive to financial, economic, political, and other events negatively affecting of that location.
- 22. High Yield Fixed Income Securities:** There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade securities.
- 23. Income:** Income received from the portfolio may vary widely over the short- and long-term and/or be less than anticipated if the proceeds from maturing securities in the portfolio are reinvested in lower-yielding securities.
- 24. 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.
- 25. Infrastructure:** A fund that focuses its investments in infrastructure-related companies will be more sensitive to conditions affecting their business or operations such as local economic and political conditions, regulatory changes, and environmental issues.
- 26. Interest Rate:** The values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced for securities with longer maturities.
- 27. Leverage:** When a fund leverages its portfolio, the fund may be less liquid, may liquidate positions at an unfavorable time, and the volatility of the fund's value may increase.
- 28. Limited Number of Investments:** Because the portfolio has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a less concentrated portfolio.
- 29. Liquidity:** Certain instruments may be difficult or impossible to sell at a time and price beneficial to the portfolio.
- 30. 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.
- 31. Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war or military conflict, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its assets as intended.
- 32. Master Limited Partnerships:** Investments in MLPs may be adversely impacted by interest rates, tax law changes, regulation, or factors affecting underlying assets.
- 33. Momentum Factor Investing:** Momentum investing is subject to the risk that the securities may be more volatile than the market as a whole. There may be periods when the momentum style of investing is out of favor and therefore, the investment performance of the Fund may suffer.
- 34. 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.
- 35. Options:** Selling call options may limit the opportunity to profit from the increase in price of the underlying asset. Selling put options risks loss if the option is exercised while the price of the underlying asset is rising. Buying options risks loss of the premium paid for those options.
- 36. 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.
- 37. Portfolio Turnover:** The portfolio's principal investment strategies may 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 the portfolio is held in a taxable account.
- 38. Preferred Stocks:** Preferred stocks may decline in price, fail to pay dividends, or be illiquid.
- 39. Private Credit Funds:** Private credit funds that invest in closed-end funds and business development companies bear the risks of these underlying assets, including liquidity, industry, currency, valuation, and credit risks.
- 40. Prospectus:** For additional information on risks, please see the fund's prospectus.
- 41. Quantitative Model:** Investments selected using quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the portfolio to achieve positive returns or outperform the market.
- 42. REIT Interest Rate:** When interest rates rise, the value of REIT securities (including preferred securities) can be expected to decline. The current historically low interest rate environment increases the risk associated with rising interest rates.
- 43. Sector Focused Investing:** Events negatively affecting a particular market sector in which the fund focuses its investments may cause the value of the fund's shares to decrease.
- 44. Small Companies:** The market price of equity securities may be 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.
- 45. 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.
- 46. Variable Distribution Risk:** Periodic distributions by investments of variable or floating interest rates vary with fluctuations in market interest rates.

**Please consider a Fund's investment objectives, risks, charges, and expenses carefully before investing. For this and other information about any Virtus Fund, contact your financial professional, call 800-243-4361, or visit [virtus.com](http://virtus.com) for a prospectus or summary prospectus. Read it carefully before investing.**

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