

| MORNINGSTAR RATINGS as of 6/30/20<br>1 shares rated within Bank Loan category   |            |            | LIPPER PEER GROUP RANKINGS as of 6/30/20<br>1 shares rated within Loan Participation Funds category  |                    |                    | LOWER EXPENSES as of 6/30/20<br>1 shares rated within Bank Loan category |                    |
|---|------------|------------|--|--------------------|--------------------|--|--------------------|
| Overall Rating ★★★★★  |            |            | Time Period  | Percentile Ranking | Ranking/# of Peers | SAMBX  | 0.62% (net)        |
| Time Period   | # of Stars | # of Funds | 1 Year   | 72nd               | 175/243            | Category average   | 0.77% <sup>1</sup> |
| 3 Year  | ★★★★       | 225        | 3 Year   | 56th               | 122/219            |  |                    |
| 5 Year  | ★★★★       | 203        | 5 Year   | 39th               | 76/195             |  |                    |
| 10 Year   | ★★★★★      | 88         | 10 Year  | 18th               | 16/88              |  |                    |
| Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive future performance. |            |            | Rankings are based on total return and do not include the effect of the fund's sales load, if applicable. Each fund is ranked within a universe of funds similar in portfolio characteristics and capitalization. Strong rankings are not indicative of positive fund performance. |                    |                    | <sup>1</sup> Source: Morningstar Direct                                  |                    |

### Experience and Continuity

Longstanding Seix leveraged finance team has managed portfolios throughout multiple credit cycles with the same lead portfolio manager since inception of the strategy.

### Focus on Healthier Segment of Loan Market

The Fund invests in a targeted universe of the healthiest segment of BB- and B-rated loans that have issue sizes greater than \$100 million and positive price momentum.

### Excess Risk-Adjusted Return Generation

While striving to add alpha, principal protection is also stressed. Seix has relied on strict company selection through careful bottom-up, fundamental analysis to historically provide excess risk-adjusted returns.



“At Seix, we employ a sound, transparent, and repeatable investment process. We leverage competitive advantages and aim to capture upside potential while limiting downside risk through rigorous fundamental analysis and a strict sell discipline.”

George Goudelias  
Senior Portfolio Manager, Managing Director, Head of Leveraged Finance

### Loans: More than an Interest Rate Hedge

On a risk-adjusted basis, loans are attractive compared to other asset classes, such as large- and small-cap equities. The lower volatility of loans can be attributed, to some extent, to their position at the top of the capital structure, which may help mitigate risk in the face of defaults.

#### LOANS VS. EQUITIES (1/1/92 – 6/30/20)

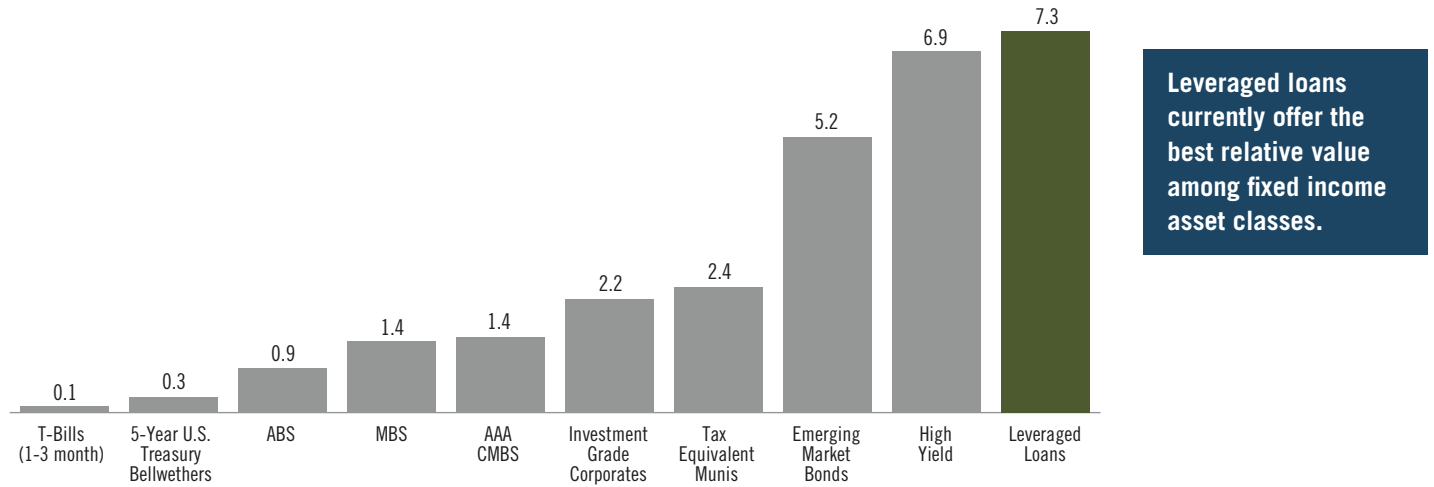
|                  | Annualized Return | Standard Deviation | Return Per Unit of Risk | Rolling 3-Year Periods |        |            |
|------------------|-------------------|--------------------|-------------------------|------------------------|--------|------------|
|                  |                   |                    |                         | Best                   | Worst  | % Negative |
| Leveraged Loans  | 5.34%             | 5.53%              | 1.0                     | 17.5%                  | -8.0%  | 4%         |
| Large-Cap Equity | 9.48%             | 14.39%             | 0.7                     | 32.8%                  | -16.1% | 19%        |
| Small-Cap Equity | 8.87%             | 19.05%             | 0.5                     | 29.6%                  | -17.8% | 15%        |

#### Past performance is not indicative of future results.

The Leveraged Loan, Large-Cap Equity, and Small-Cap Equity markets are represented by the Credit Suisse Leveraged Loan Index, S&P 500® Index, and Russell 2000® Index, respectively. Returns were calculated using monthly data and begin with the inception of the Credit Suisse Leveraged Loan Index on 1/1/92.

Sources: Credit Suisse, Standard & Poor's, FTSE Russell, Bloomberg Barclays

**Leveraged Loans Offer Compelling Yields in the Current Market Environment (%)**

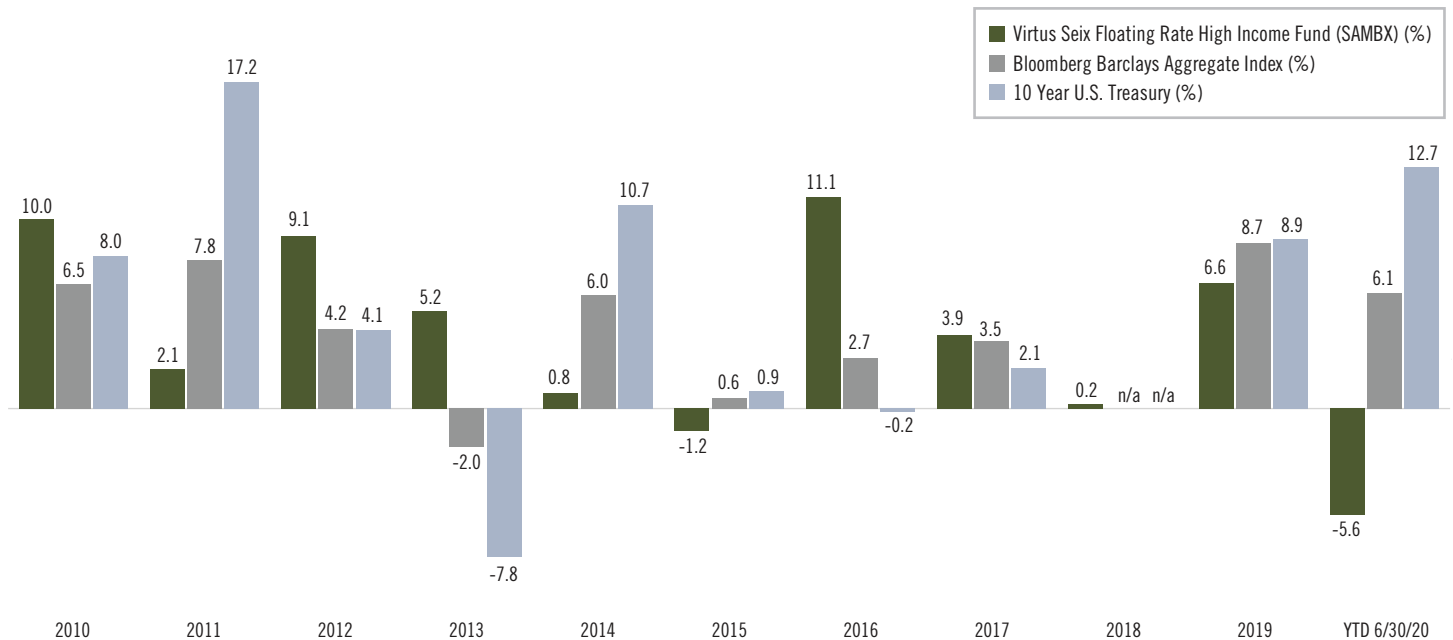


**Past performance is not indicative of future results.**

As of 6/30/20. Sources: Bloomberg Barclays, JPMorgan, Credit Suisse. Yields above represented by the Bloomberg Barclays U.S. Treasury Bills 1-3 Months Index, Bloomberg Barclays U.S. Treasury Bellwethers 5 Year Index, Bloomberg Barclays Asset-Backed Securities Index, Bloomberg Barclays CMBS Investment Grade Aaa Index, Bloomberg Barclays U.S. Mortgage Backed Securities Index, Bloomberg Barclays U.S. Corporate Investment Grade Index, Bloomberg Barclays Municipal Bond Index (assuming 37% tax rate), Bloomberg Barclays U.S. High Yield Index, J.P. Morgan Emerging Markets Bond Index Plus, and Credit Suisse Leveraged Loan Index. Indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and are not available for direct investment.

**Historical Outperformance in Periods When Rates Did Not Rise**

Leveraged loans historically have generated positive returns in rising rate environments, but they also have tended to perform well when rates do not rise. Virtus Seix Floating Rate High Income Fund (SAMBX) has typically fared well even when rates did not rise.



**Past performance is not indicative of future results.**

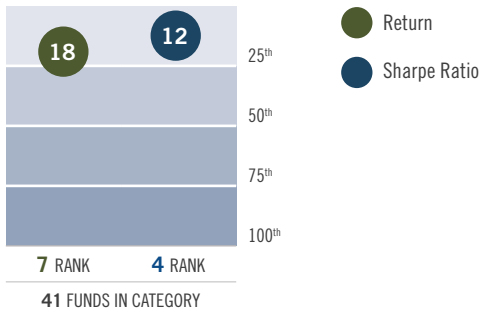
Source: Bloomberg Barclays, Treasury returns represented by Bloomberg Barclays U.S. Treasury Bellwethers.

## Historical Outperformance vs. Morningstar Peers

The Fund has outperformed its peers on both an absolute and risk-adjusted basis (as represented by Sharpe ratio), since inception.

### MORNINGSTAR PERCENTILE RANKINGS SINCE INCEPTION

Bank Loan Funds Category, Based on Total Return as of 6/30/20

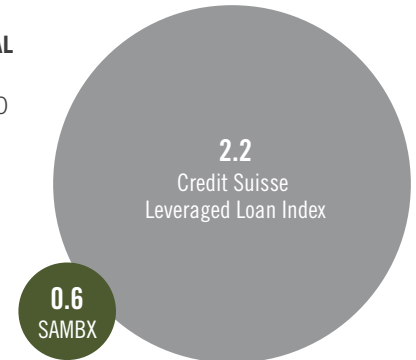


Past performance is not indicative of future results.

## Lower Default Rate

Compared to the Credit Suisse Leveraged Loan Index, the Fund has delivered a lower default rate, since inception.

**AVERAGE ANNUAL DEFAULT RATE**  
3/1/06 – 6/30/20

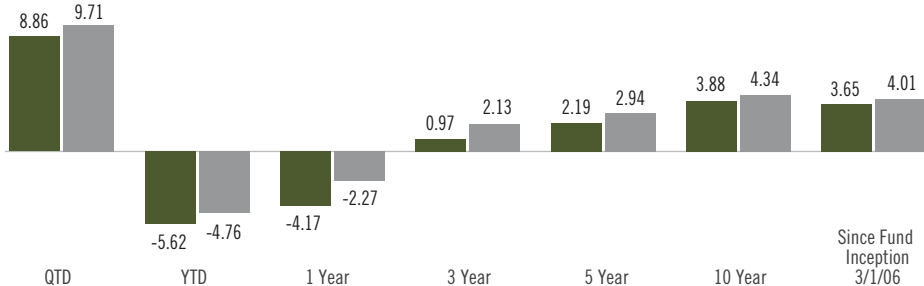


Past performance is not indicative of future results.  
Source: Credit Suisse

## Solid Long-Term Track Record

### AVERAGE ANNUAL TOTAL RETURNS (%)

as of 6/30/20



Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [virtus.com](http://virtus.com) for performance data current to the most recent month end. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See [virtus.com](http://virtus.com) for details.

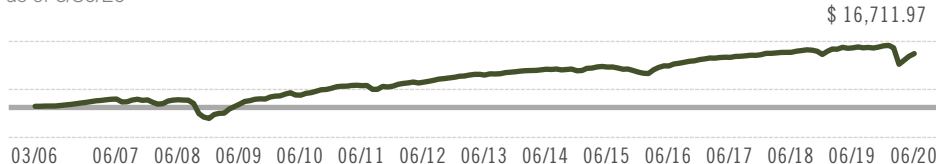
Benchmark life performance is reported from 02/28/06.

The fund class gross expense ratio is 0.72%. The net expense ratio is 0.62%, which reflects a contractual expense reimbursement in effect through 4/30/2021.

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.

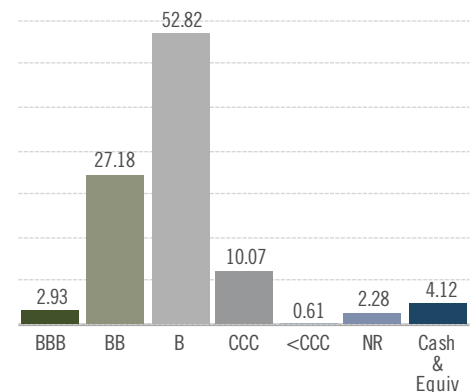
### GROWTH OF \$10,000 SINCE FUND INCEPTION

as of 6/30/20



This chart assumes an initial investment of \$10,000 made on 3/1/2006. As of 6/30/2020 the fund value would have been \$16,711.97. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

### RATINGS DISTRIBUTION % Fund



### DISTRIBUTIONS

| Month      | NAV at Month-End |
|------------|------------------|
| April 2020 | \$0.026558 7.41  |
| May 2020   | \$0.024976 7.62  |
| June 2020  | \$0.024422 7.76  |

### RISK STATISTICS (3 YEAR)

|                    | Fund  | Index |
|--------------------|-------|-------|
| Alpha              | -1.14 | n/a   |
| Beta               | 0.95  | 1.00  |
| R <sup>2</sup>     | 0.99  | 1.00  |
| Sharpe Ratio       | -0.09 | 0.05  |
| Standard Deviation | 8.10  | 8.47  |

### CHARACTERISTICS

|  | Fund |
|--|------|
| Effective Duration                           | 0.25 |
| Weighted Average Maturity                    | 4.27 |
| 30-day SEC Yield <sup>1</sup>                | 3.55 |
| 30-day SEC Yield (unsubsidized) <sup>2</sup> | 3.42 |

<sup>1</sup> 30-day SEC Yield is a standardized yield calculated according to a formula set by the SEC, and is subject to change.

<sup>2</sup> 30-day SEC Yield (unsubsidized) is the 30 day SEC yield without the effect of applicable expense waivers.

**TOP TEN HOLDINGS**

|  | % Fund |
|--|--------|
| William Morris Endeavor Entertainment LLC, New Term Loan B-1, 05/18/2025 | 1.96   |
| Ziggo Financing Partnership, Term Loan I, 04/30/2028                     | 1.68   |
| T-Mobile USA Inc, Term Loan, 04/01/2027                                  | 1.53   |
| Altice France SA/France, USD TLB-11 Term Loan, 07/31/2025                | 1.51   |
| Asurion LLC, Amendment No. 14 Replacement B-4 Term Loan, 08/04/2022      | 1.49   |
| INEOS US Finance LLC, 2024 Dollar Term Loan, 04/01/2024                  | 1.40   |
| Panera Bread Co, Term Loan, 06/13/2022                                   | 1.38   |
| CenturyLink Inc, Term B Loan, 03/15/2027                                 | 1.33   |
| GLP Capital LP, THE WIMBLEDON FUND SPC - CLASS C, 04/29/2021             | 1.21   |
| GrafTech Finance Inc, Initial Term Loan, 02/12/2025                      | 1.09   |

Holdings are subject to change.

**FUND INFORMATION**

|                             |                                    |
|-----------------------------|------------------------------------|
| <b>Inception Date</b>       | 03/01/06                           |
| <b>AUM (\$ millions)</b>    | 1,978.4                            |
| <b>Number of Holdings</b>   | 273                                |
| <b>Dividends</b>            | Daily                              |
| <b>Morningstar Category</b> | Bank Loan                          |
| <b>Lipper Category</b>      | Loan Participation Funds           |
| <b>Index</b>                | Credit Suisse Leveraged Loan Index |

**Index:** The Credit Suisse Leveraged Loan Index is a market-weighted index that tracks the investable universe of the U.S. dollar denominated leveraged loans. The index is calculated on a total return basis. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

**IMPORTANT RISK CONSIDERATIONS**

**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. **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. **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. **Market Volatility:** Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the fund and its investments, including hampering the ability of the fund's portfolio manager(s) to invest the fund's assets as intended. **Prospectus:** For additional information on risks, please see the fund's prospectus.

**GLOSSARY**

**Effective Duration:** The change in the value of a fixed income security that will result from a 1% change in interest rates while taking into account the way changes in rates will affect the expected cash flows of any bond with an embedded option such as call or prepayment option. This measure assigns a probability to the exercise of a call option, where applicable, based on specified shifts in the yield curve. Duration is expressed as a number of years, and generally, the larger the duration, the greater the interest rate risk or reward for a portfolio's underlying bond prices. **Weighted Average Maturity:** The length of time until the average security in a fund will mature, be redeemed by its issuer, or paid down over time, which is the case with most securitized assets. **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.

**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 for a prospectus or summary prospectus. Read it carefully before investing.**

**Not insured by FDIC/NCUSIF or any federal government agency. No bank guarantee. May lose value.**

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**INVESTMENT SUBADVISER**



Seix Investment Advisors is an investment management boutique focused exclusively on managing fixed income securities since 1992. Seix seeks to generate competitive absolute and relative risk-adjusted returns over the full market cycle through a bottom-up focused, top-down aware process. Seix employs multi-dimensional approaches based on strict portfolio construction methodology, sell disciplines and trading strategies with prudent risk management as a cornerstone.

**PORTFOLIO MANAGERS**



**George Goudelias**  
Industry start date: 1987  
Start date as Fund Portfolio Manager: 2006



**Vincent Flanagan**  
Industry start date: 1997  
Start date as Fund Portfolio Manager: 2011



**Eric Guevara**  
Industry start date: 2000  
Start date as Fund Portfolio Manager: 2019

**Ratings Distribution Methodology:** The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government's debt issues. The ratings apply to the fund's holdings and not the fund itself. Standard & Poor's, Moody's, and Fitch ratings are used. If all three agencies have rated the security, then the median rating based on numerical equivalents is used. If only two agencies have rated the security, then the lower of the two ratings is used. If only one agency has rated the security, the rating from that agency is used. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C, and D are below-investment grade ratings.

**Morningstar:** 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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