

**INVESTMENT OVERVIEW**

The Fund is a multi-strategy alternatives product that seeks to provide capital appreciation consistent with the risk/return characteristics of a diversified portfolio of hedge funds. The secondary goal of the Fund is to achieve these returns with less volatility than major equity indexes.

**KEY FEATURES**

**A Multi-Strategy Alternatives Fund** — The AlphaSimplex approach combines two distinct approaches:

- > Hedge Fund Replication models, which use advanced statistical techniques to identify and emulate the liquid market exposures of hedge funds and other liquid alternative strategies.
- > Alternative Risk Premia models, which use small allocations to a variety of historically non-correlated strategies designed to provide diversifying return streams within the broader portfolio.

**Broad Diversification** — The strategy is implemented using a globally diversified array of liquid futures, individual equity securities (obtained either directly or by entering into total return swaps), and forward contracts across asset classes and regions. These are used to obtain desired long or short exposures within the various models.

**Volatility Management** — The two components are risk-weighted in an attempt to provide an average long-term volatility that is lower than the long-term average of equity markets and higher than that of bond markets, allowing it to fill a key role in the alternative sleeve of a portfolio.

**AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/2024**

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
<b>Class I</b>	6.10	6.10	8.60	3.98	2.76	2.08	3.13
<b>Class A NAV</b>	6.04	6.04	8.38	3.74	2.50	1.83	2.88
<b>Class A POP</b>	0.21	0.21	2.42	1.80	1.35	1.25	2.50
<b>Class R6</b>	6.21	6.21	8.72	4.04	2.79	2.11	2.54
<b>Index</b>	3.96	3.96	8.86	1.98	4.02	2.62	2.39

**ANNUAL PERFORMANCE (%)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Class I</b>	3.79	-0.53	1.29	-2.12	10.49	-6.04	10.93	-4.23	-2.38	3.77
<b>Index</b>	5.72	-6.31	4.60	9.76	7.01	-4.77	5.98	-0.55	-0.09	2.82

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.

**Class I Shares have no sales charges and are not available to all investors.** The fund class gross expense ratio is 1.44%. The net expense ratio is 1.25%, which reflects a contractual expense reimbursement in effect through 5/19/2025.

The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.24%.

**Class A shares have a maximum sales charge of 5.50%. A contingent deferred sales charge of 1% may be imposed on certain redemptions within 18 months on purchases on which a finders fee has been paid.** The fund class gross expense ratio is 1.76%. The net expense ratio is 1.50%, which reflects a contractual expense reimbursement in effect through 5/19/2025.

The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.49%.

**Class R6 Shares have no sales charges and are not available to all investors.** The fund class gross expense ratio is 1.37%. The net expense ratio is 1.20%, which reflects a contractual expense reimbursement in effect through 5/19/2025.

The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.19%.

**Other share classes may have sales charges. See [virtus.com](http://virtus.com) for details.**

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.

Index: The Barclays Fund of Funds Index is a measure of the average return of all Fund of Funds (FoFs) in the Barclay database. The index is simply the arithmetic average of the net returns of all the FoFs that have reported that month. Index returns are recalculated by Barclay Hedge, Ltd. Throughout each month. Because of these recalculations, the Barclay Fund of Funds Index returns reported by the fund may differ from the index returns previously published for the same period. The performance of the index reflects the managed fees and other expenses of both the fund of funds in the Index and the hedge funds in which these fund of funds invest. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

Since inception performance for the index reflects a start date of 9/30/2008, the same date as the inception of the Funds Class I and Class A Shares. R6 Shares inception date: 5/1/2013.

This fund is the successor to the AlphaSimplex Global Alternatives Fund, through a reorganization that occurred on May 19, 2023.

SHARE CLASSES	Ticker	CUSIP
I Shares	GAFYX	92835M463
A Shares	GAFAX	92835M489
C Shares	GAFCX	92835M471
R6 Shares	GAFNX	92835M455

**FUND INFORMATION**

Inception Date (Class I)	09/30/08
AUM (\$ millions)	169.6
Dividends	Annually
Morningstar Category	Multistrategy
Index	Barclays Fund of Funds Index

The Index shown represents the Funds performance index, which may differ from the Funds regulatory index included in its Prospectus.

**MORNINGSTAR RATINGS (CLASS I)**

Time Period	# of Stars	# of Funds
Overall	★★	121
3 Year	★★★	121
5 Year	★★	107
10 Year	★★	56

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

**INVESTMENT ADVISER**

Virtus Alternative Investment Advisers, Inc.

**INVESTMENT SUBADVISER**



Since the firms founding in 1999, AlphaSimplex has developed systematic, quantitative alternative investment strategies that are attuned to changing market dynamics.

**PORTFOLIO MANAGERS**

**Alexander D. Healy, Ph.D.**

Industry start date: 2007

Start date as Fund Portfolio Manager: 2014

**Kathryn M. Kaminski, Ph.D., CAIA**

Industry start date: 2008

Start date as Fund Portfolio Manager: 2020

**Peter A. Lee, CFA**

Industry start date: 2007

Start date as Fund Portfolio Manager: 2010

**Philippe P. Lüdi, Ph.D., CFA**

Industry start date: 2006

Start date as Fund Portfolio Manager: 2014

**Robert S. Rickard**

Industry start date: 1993

Start date as Fund Portfolio Manager: 2008

ASSET CLASS ATTRIBUTION BY MODEL TYPE (QTD)

	Equities	Fixed Income	Currencies	Commodities	Total
<b>Hedge Fund Replication Models</b>	<b>3.21</b>	<b>0.05</b>	<b>0.35</b>	<b>0.31</b>	<b>3.92</b>
<b>Alternative Risk Premia Models</b>	<b>2.33</b>	<b>0.01</b>	<b>0.23</b>	<b>-0.39</b>	<b>2.19</b>
Trend and Momentum	1.17	-0.05	0.02	-0.34	0.81
Carry and Curve	0.00	0.09	0.00	-0.01	0.08
Value	0.33	-0.01	0.06	0.00	0.39
Event	0.75	-0.02	0.00	0.00	0.73
Structural and Flow	0.08	0.00	0.15	-0.05	0.19
<b>Total Model</b>	<b>5.54</b>	<b>0.06</b>	<b>0.58</b>	<b>-0.08</b>	<b>6.11</b>

Source: AlphaSimplex Group, LLC. Return decomposition (contribution to return by model category) is approximate. These results represent AlphaSimplex current best estimates of the attributable returns of each model category. These estimates and approximation methodologies are subject to change, resulting in generally minor backward revisions of return attribution across approaches over time. The performance information contained in this document is unaudited and has been computed by AlphaSimplex based on unaudited figures compiled from internal data, which may be subject to revisions. Accordingly, while this data was obtained from sources believed to be reliable, AlphaSimplex provides no assurances as to its accuracy or completeness. Portfolio asset class exposure and positions are subject to change.

IMPORTANT RISK CONSIDERATIONS

**Leverage:** When the Fund leverages its portfolio, the Fund may be less liquid and/or may liquidate positions at an unfavorable time, and the value of the Funds shares will be more volatile and sensitive to market movements. **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. Investments in derivatives may result in increased volatility and the portfolio may incur a loss greater than its principal investment. **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, medium, or large-sized companies may enhance that risk. **Short Sales:** The portfolio may engage in short sales, and may incur a loss if the price of a borrowed security increases before the date on which the portfolio replaces the security. **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. **Commodity and Commodity-Linked Instruments:** Commodity and commodity-linked instruments may experience a return different than the commodity they attempt to track and may also be exposed to counterparty risk. **Currency Rate:** Fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect the value of the portfolios shares. **Foreign & Emerging Markets:** Investing in foreign securities, especially in emerging markets, subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk. **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. **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 issuers ability to make such payments, the price of the security may decline. **Portfolio Turnover:** The portfolios 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. **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 portfolios manager(s) to invest its assets as intended. **Prospectus:** For additional information on risks, please see the funds prospectus.

GLOSSARY

**Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Long Position:** Refers to the purchase of a security with the expectation that it will rise in value. **Short Position:** Refers to the sale of a borrowed security with the intention of buying it back later at a lower price.

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 products 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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