International ADR Managed Account Fact Sheet & Commentary

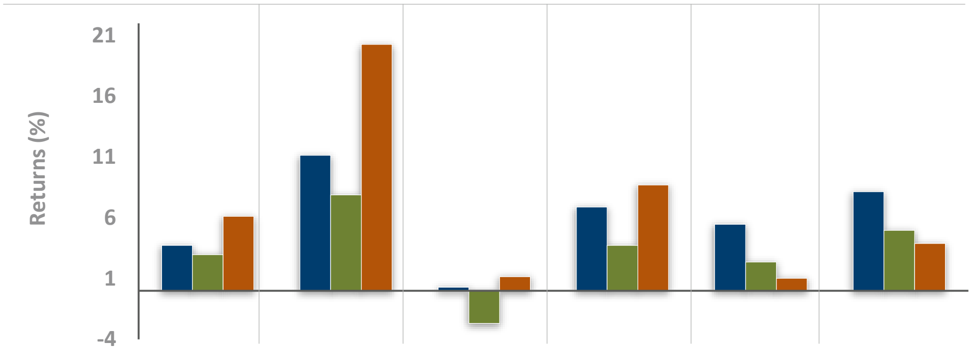
DUFF & PHELPS INVESTMENT MANAGEMENT CO.
A VIRTUS INVESTMENT PARTNER

Quarter Ending June 30, 2017

STRATEGY

- High conviction portfolio of 30-40 international stocks
- Bottom-up research informed by top-down macros views
- Investment style is Core with a Quality and Value bias
- Cash flow based approach to valuation
- Flexibility to adapt to market conditions

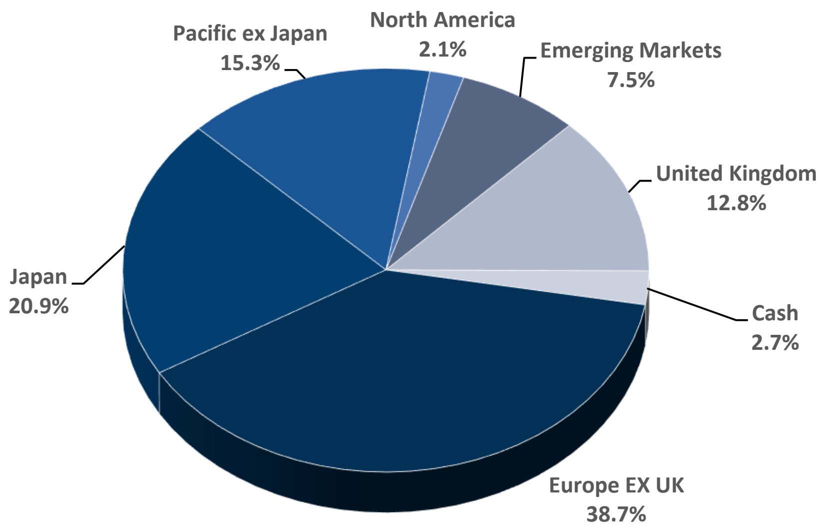
PERFORMANCE[1]



	QTR	1YR	3YRS	5YRS	10YRS	SINCE INCEPTION
Intl. Equity Gross	3.73%	11.14%	0.29%	6.87%	5.47%	8.15%
Intl. Equity Net	2.96%	7.87%	-2.68%	3.72%	2.36%	4.97%
MSCI EAFE Index (net)	6.12%	20.27%	1.15%	8.69%	1.03%	3.88%

REGIONAL EXPOSURE[2]

% of Portfolio



STRATEGY OVERVIEW

Inception Date	January 1, 2006
Benchmark	MSCI EAFE® Index (net)
Number of Holdings	30 – 40
Expected Turnover	30 – 50%

PORTFOLIO CHARACTERISTICS[2]

	Portfolio	MSCI EAFE Index (net)
Number of Holdings	33	927
Weighted Avg. Market Cap	$38.5B	$49.2B
Forward Price to Earnings	13.9	15.3
Price to Cash Flow	8.3	8.6
Price to Book	1.8	1.7
Est. 3- 5 Year EPS Growth	12.1%	12.3%
Dividend Yield (net)	2.1%	2.6%

TOP TEN HOLDINGS[2]

	Country	% of Port
Ashtead Group	U.K.	3.7
Airbus SE	France	3.6
ICON Plc	Ireland	3.6
Lendlease Group	Australia	3.6
Sony Corporation	Japan	3.6
Nidec Corporation	Japan	3.5
DBS Group Holdings Ltd	Singapore	3.3
ING Group NV	Netherlands	3.3
BNP Paribas SA	France	3.3
ORIX Corporation	Japan	3.3

CONTACT INFORMATION

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1. Inception date is January 1, 2006. Periods over one year are annualized.
2. Holdings, weights, and characteristics are from a representative account and are subject to change. This information is considered supplemental and complements the Duff & Phelps International ADR Equity Institutional Composite Disclosure Presentation included at the end of this presentation.

Past performance is not indicative of future results.

The Quarter in Review

For the second consecutive quarter, international equity investors received strong gains in equity markets. Global economic growth appears to be strengthening, and leading indicators such as purchasing manager surveys, consumer confidence indicators, and employment/wage statistics give confidence to the notion that expansion will continue. Equity markets reflect a "Goldilocks" environment, with corporate profits benefiting from years of global stimulus while inflation remains in check at comfortable levels.

Overall, international stocks outperformed domestic stocks, perhaps setting in motion what many view as a long-overdue reversal of years' worth of U.S. market-led dominance. A centerpiece of this trend is an improving Eurozone economy, with consensus expectations now being for 2-3% GDP growth over the next several years. Home price appreciation in countries like Spain and strong performance among banks appear to make the case even stronger. The European markets have also reacted favorably to election outcomes in France, Italy, and the Netherlands which served to allay fears of additional post-BREXIT fractures in the EU.

International stocks represented by the MSCI-EAFE Index ended the second quarter with a gain of 6.12% while the Duff & Phelps International Equity Strategy lagged the benchmark. The majority of the Q2 underperformance was the result of stock selection in Consumer Discretionary, Energy, and Materials. Stock selection in Financials and Telecommunications contributed positively to relative and absolute performance but was not enough to offset weakness in other places. Sector allocations overall were not a large contributing factor during the second quarter although our overweight to Technology did help.

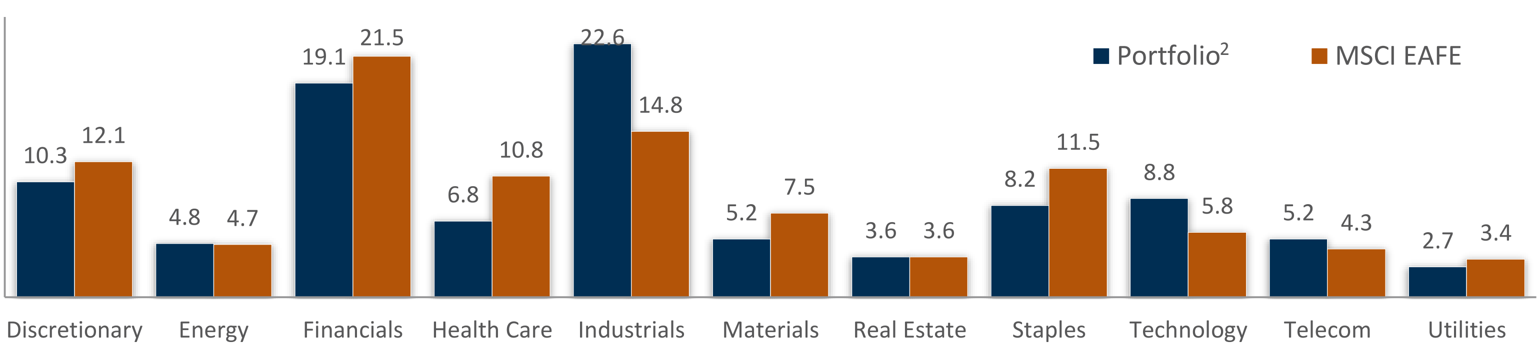
Reiterating a point which we made last quarter, historically our strategy has not kept pace with the EAFE Index when the index rallies more than 5% in a quarter; of which this is the second in a row. We are an opportunistic manager with a portfolio that doesn't bear a high resemblance to the Index, and we have built our reputation on delivering a consistent, lower-volatility return over the long run, which we have continued to do despite the recent relative underperformance.

Portfolio Positioning

While we are inherently bottom-up with an awareness that is informed by our top-down views, in the past few quarters many of our portfolio moves had served the purpose of aligning our portfolio with our top-down view that global growth is still strong. In doing so, we had been increasing our allocation to cyclical sectors such as Materials, Financials, and Consumer Discretionary. While we maintain that top down view, in this quarter the focus was more on ensuring that our best bottom-up ideas are in the portfolio, even if that entailed adding a name in a defensive sector or removing a name from a cyclical sector in favor of a better idea. Net-net we do continue to favor cyclicals, and would expect cyclical sectors to be the primary source of new ideas in the near term.

Against this backdrop we added Actividades de Construccion y Servicios or ACS, CK Hutchison, Veolia, and Telekom Indonesia to the portfolio. We also found opportunities to upgrade our portfolio of Financials holdings by buying Caixabank and UBS while selling Barclays, Mizuho and SocGen. We also added to our existing holdings in Fortescue, Subaru, and Orix. We eliminated BMW, Shire, and Petrobras, and also reduced our positions in DBS Bank, SAP, and Broadcom. The net effect of these moves was to place our largest overweights in Industrials and Technology, with our largest underweights being Healthcare and Consumer Staples. Healthcare continues to be affected by an ever-changing and unpredictable political landscape, and Staples are acting poorly as bond proxies are getting a tougher look by the market with bond yields rising.

Sector Weights (in %) as of 06/30/17



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Portfolio Positioning (con't)

Regionally, our portfolio is at the highest European weighting it has been in years even though we are still underweight the region overall. We continue to be underweight the UK, modestly underweight in Japan, and overweight in Asia ex-Japan and in non-benchmark emerging markets and Canada. Keep in mind that we operate in an increasingly global world in which country designations do not always indicate market opportunity. A good case in point is British American Tobacco, which generates little of its revenue in the UK. Also, many of our top holdings such as Ashtead, Airbus, and Sony derive the bulk of their revenue outside their home markets.

The Market Ahead

To say the last 4-6 quarters have been tricky would be an understatement. Slowing global growth in the first half of 2016 meant that nothing besides high quality defensive growth worked until about the middle of that year. But after last summer's BREXIT vote, value came roaring back – the deeper the value the better the performance. Initially the U.S. election of Donald Trump only intensified the cyclical value trade but around early 2017 the paradigm was disrupted once again and value faded as growth gained. In recent months, however, there does appear to be a return to value leadership, as evidenced by recent strength in banks and industrials and relative weakness in technology and staples.

With the U.S. labor force clocking in at near full employment, and with inflation inching up toward the Fed's stated 2% target, we look for another Fed short-term interest rate hike in the fourth quarter. Do we expect rising US interest rates to cripple global growth? Absolutely not. Rates are rising off of historical lows, and there is too much global growth momentum building after years of stimulus efforts around the developed world. In the Eurozone, political risks have abated, PMI readings recently reached their highest levels in 74 months, and corporate profits are strengthening. European banks in particular look attractive due to a steepening yield curve, expansion of credit, and lower levels of non-performing loans. In the UK, a certain layer of BREXIT uncertainty lingers in the air, but the economy is chugging forward and the country's unemployment rate has dipped to the lowest levels since 1975. As a side note, the UK names in our portfolio generate the bulk of their revenue elsewhere, alleviating much of the BREXIT-related overhang. Asia ex-Japan offers compelling opportunities across a number of sectors; our focus is in Australia, Singapore, and Hong Kong. And Japan appears to haves seen its deflationary era come to an end. Japanese property values are rising, corporate deleveraging is on the wane, employment is up, and the culture of savings has shifted toward spending mode. We still think Japan is somewhat unloved and misunderstood, and we remain constructive on the opportunity set there.

In Emerging Markets, fundamentals are stable even given the nascent rising interest rate environment in the US. China's GDP continues to hum along at a 6.9% growth rate, with India just slightly behind at 6.1%. However, the political climate in Brazil has taken a turn for the worse. Our expectation was for President Temer to work across generational lines in gathering support for much needed economic reforms which would propel Brazil to a level of GDP growth that would match, if not exceed, the rest of the world by 2017 or 2018. We have been disappointed to see him implicated in the country's comprehensive bribery probe. While our base case scenario sees him finishing out his term, it has tempered our enthusiasm about the magnitude of reforms we expect to see enacted during his tenure.

We continue to run a focused, best ideas portfolio of 30-40 names using the same bottom-up macro informed process since 2006. Our portfolio bears little resemblance to peers nor to the biggest/most widely held names in the benchmark. Most of the names which detracted from our results in the first half of 2017 are arguably going through transitory dislocations and continue to look attractive to us from a valuation perspective, and we are confident that our process facilitates the repeatability of our past successes in the future.

As always, we thank you for your continued support and please call us directly if we can provide additional portfolio commentary to you or your clients.

FREDERICK A. BRIMBERG
Senior Managing Director
Senior Equity Portfolio Manager

JOHN L. CRESWELL
Executive Managing Director

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. **Foreign & Emerging Markets**: Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Derivatives**: Investments in derivatives such as futures, options, forwards, and swaps may increase volatility or cause a loss greater than the principal investment.

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Performance Disclosure International ADR Equity Managed Account Composite

Year	Total Firm Assets ($B)	Total Composite Assets ($M)	Accounts at Year End	Percent of Bundled Fee Accounts in Composite	Gross Annual Return (%)[2]	Net Annual Return (%)	MSCI EAFE® Index (net) Annual Return (%)	Composite 3 Year Standard Deviation Gross (%)	Benchmark 3 Year Standard Deviation (%)	Composite Dispersion
2016	10.3	113.8	5 or fewer	100%	-0.45	-3.40	1.00	11.33	12.46	N/A
2015	N/A[1]	57.8	5 or fewer	100%	2.43	-0.60	-0.81	12.26	12.46	N/A
2014	N/A[1]	54.1	5 or fewer	100%	-4.04	-6.89	-4.90	12.09	13.03	N/A
2013	N/A[1]	12.0	5 or fewer	100%	15.96	12.57	22.78	14.13	16.25	N/A
2012	N/A[1]	10.9	5 or fewer	100%	16.32	12.92	17.32	16.90	19.37	N/A
2011	N/A[1]	5.1	5 or fewer	100%	-2.64	-5.53	-12.14	19.44	22.43	N/A
2010	N/A[1]	1.4	5 or fewer	0%	11.90	8.61	7.75	22.49	26.23	N/A
2009	N/A[1]	0.8	5 or fewer	0%	36.83	32.88	31.78	20.51	23.58	N/A
2008	N/A[1]	0.5	5 or fewer	0%	-27.84	-30.03	-43.38	18.05	19.24	N/A
2007	N/A[1]	0.6	5 or fewer	0%	23.26	19.67	11.17	N/A	N/A	N/A

(1) Results were achieved while at a prior firm. (2) Effective April 2011 gross performance is shown as "Pure" gross performance for bundled fee accounts as returns have not been reduced by transaction costs and is presented as Supplemental Information.

Duff & Phelps Investment Management Co. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Duff & Phelps Investment Management Co. has been independently verified for the periods January 1, 1993 through September 30, 2016. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

1. Organization – Duff & Phelps Investment Management Co. ("Duff & Phelps" or the "firm") is a registered investment adviser and a wholly owned subsidiary of Virtus Investment Partners. Duff & Phelps manages assets on behalf of institutional and retail separate accounts and open-end and closed-end funds. Registration of an investment adviser does not imply any level of skill or training.

2. Composite Description – The International ADR Equity Managed Account Composite includes all fully discretionary wrap/SMA accounts from all managed account platforms (excluding UMA assets) that focus their investments in international ADR equity securities with the objective of achieving superior long-term returns through capital appreciation and dividend income as prices of such securities return to fair value. Risk is controlled by monitoring regional and sector exposures and by pursuing investments with a bias towards valuation and quality. Prior to April 2011, the Composite did not include wrap/SMA accounts and consisted of other bundled fee accounts. The inception date of the Composite is January 1, 2006 and the Composite was created on October 1, 2016. Prior to October 1, 2016, performance results were achieved at other firms; performance for the period January 1, 2006 through July 31, 2012 was achieved at Avatar Associates and performance for the period August 1, 2012 through September 30, 2016 was achieved at Euclid Advisors LLC.

The strategy invests primarily in developed markets, including the U.S. and Canada. It may also invest up to 20% in emerging market securities.

3. Benchmark – The Composite Benchmark is the MSCI EAFE Index (Europe, Australasia, Far East) (net), a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. Benchmark returns are calculated net of non-reclaimable withholding taxes

4. Calculations – Returns are expressed in U.S. dollars and include accrued income. The Composite and Benchmark results reflect the reinvestment of dividends and other earnings. The Composite return is an asset weighted average of the performance results of all the portfolios in the Composite based on beginning of month values. The withholding tax rates used in the calculation of account performance are dependent on account domicile and/or platform methodologies. The annual composite dispersion is an asset weighted standard deviation calculated for the accounts in the composite for the entire year and is not presented for periods with 5 or fewer portfolios. The 3-year annualized ex-post standard deviation measures the variability of the Composite and the Benchmark returns over the preceding 36-month time period and is not presented for periods of less than 36 months.

5. Performance and Fee Information – Investment performance returns are presented on both a gross of fee and net of fee basis. Gross returns do not reflect any deduction for investment advisory fees, custodial charges or other costs that a client might incur in connection with the management of an account. Effective April 2011, gross performance is shown as "pure" gross performance, as returns have not been reduced by transaction costs, and is presented as Supplemental Information. Net of fee performance was calculated monthly using an assumed highest bundled fee of 3.00%. Bundled fees include trading and administrative fees, investment management fees and advisory fees; and actual bundled fee rates are determined at the platform sponsor level. Returns realized by clients will be reduced by actual bundled fee rates and rates incurred by clients may vary. Index returns do not reflect the deduction of any fees.

6. Additional Information – Duff & Phelps's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions, are available upon request.

Past performance is not indicative of future results.