International ADR Managed Account Fact Sheet & Commentary

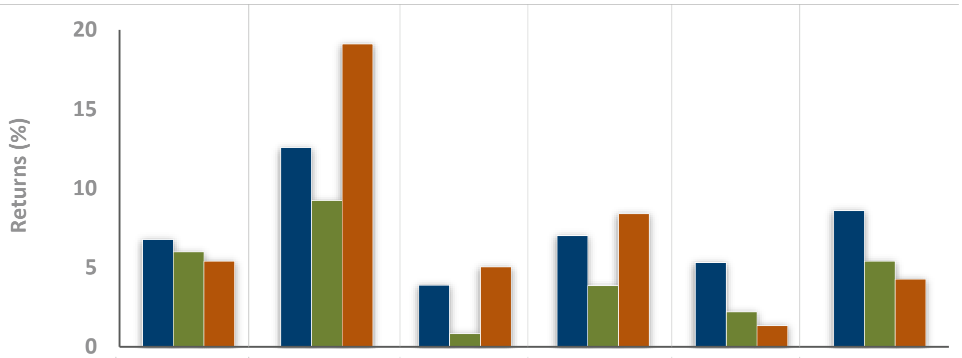
DUFF & PHELPS INVESTMENT MANAGEMENT CO.
A VIRTUS INVESTMENT PARTNER

Quarter Ending September 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

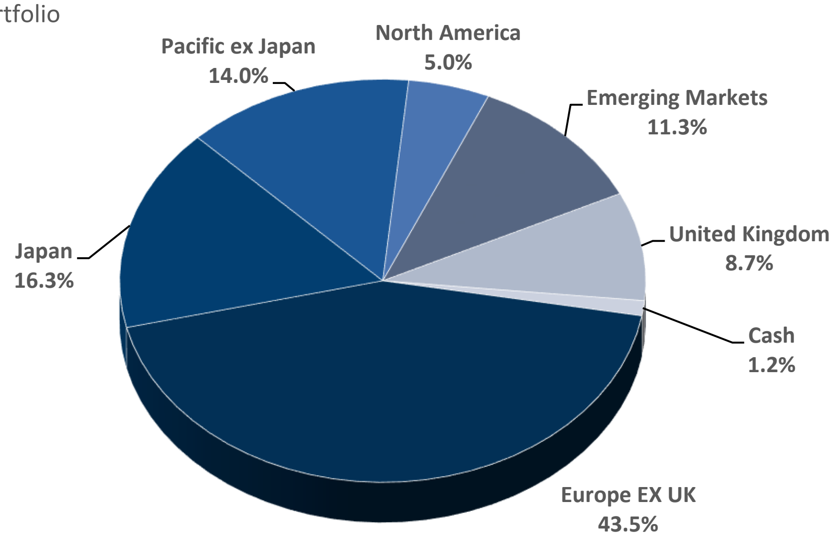
PERFORMANCE[1]



	QTR	1YR	3YRS	5YRS	10YRS	SINCE INCEPTION
Intl. Equity Gross	6.78%	12.57%	3.89%	7.01%	5.32%	8.59%
Intl. Equity Net	5.99%	9.24%	0.82%	3.85%	2.21%	5.39%
MSCI EAFE Index (net)	5.40%	19.10%	5.04%	8.38%	1.34%	4.26%

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	924
Weighted Avg. Market Cap	$37.1b	$51.8b
Forward Price to Earnings	15.3	15.4
Price to Cash Flow	8.2	8.6
Price to Book	1.8	1.7
Est. 3- 5 Year EPS Growth	13.9%	12.2%
Dividend Yield (net)	1.9%	2.6%

TOP TEN HOLDINGS[2]

	Country	% of Port
Nidec Corporation	Japan	3.9
ICON Plc	Ireland	3.9
Lendlease Group	Australia	3.7
Hitachi, Ltd	Japan	3.5
BNP Paribas	France	3.4
ING Group	Netherlands	3.3
Statoil ASA	Norway	3.2
DBS Group Holdings	Singapore	3.2
Ashtead Group Plc	United Kingdom	3.2
Airbus	France	3.2

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 Managed Account Composite Disclosure Presentation included at the end of this presentation.

Past performance is not indicative of future results.

Market Review

For the third consecutive quarter, international equity investors received strong gains in equity markets, as non-US developed markets represented by the MSCI EAFE Index posted a gain of 5.4% while the Duff & Phelps International Equity Strategy outperformed the benchmark. International equity markets displayed ongoing resilience, posting their third consecutive quarter of returns greater than 5%, driven by evidence of measured but steady global GDP growth. This positive backdrop was enough to overcome potentially disruptive events such as a weak US dollar, natural disasters, and a tense situation with North Korea. Emerging Market equities were also strong for the quarter as global growth and a demand for commodities signaled a resurgence for many developing market currencies and their stock markets.

The strategy's outperformance in the third quarter was driven by both security selection and sector allocations. Every sector of the benchmark index posted positive returns, which is not usually the case, and we were pleased to see the top three performing sectors in the index being cyclicals where we have overweight positions: Energy, Materials, and Technology. Our underweight to Consumer Staples which underperformed for the quarter was also a contributor to our relative outperformance. Within individual sectors, our stock selection in the Industrials, Consumer Discretionary, and Real Estate sectors was the biggest contributor to our outperformance. Individual security selection in Materials, Information Technology, and Telecom detracted from results, but were more than offset by positive contributions elsewhere.

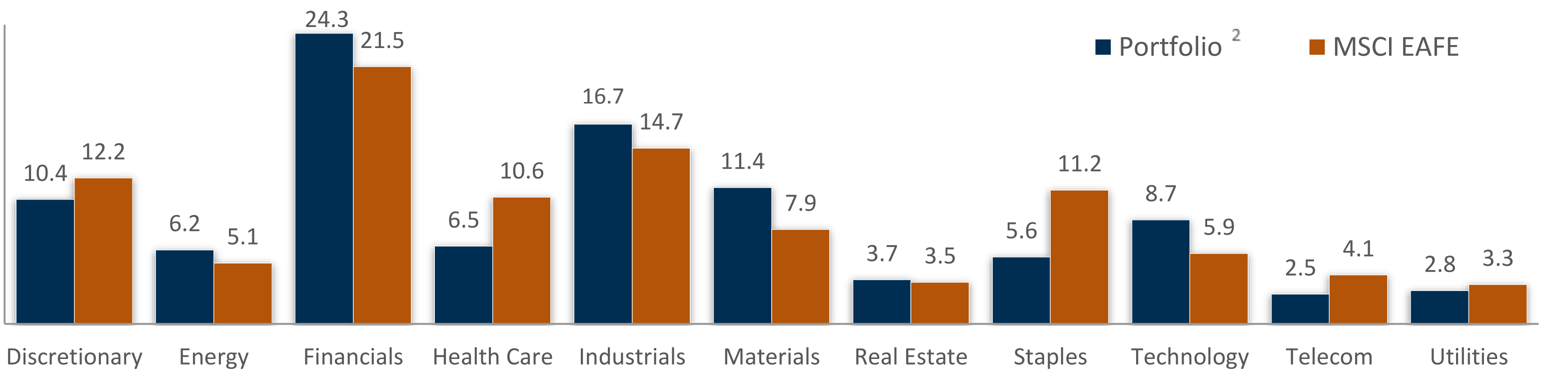
Portfolio Review

In keeping with our constructive views on global economic growth, we sought out new opportunities to tilt towards more cyclical exposure in the portfolio during the quarter. A great example of this is within the Materials sector, where we added basic construction materials providers Anhui Conch Cement and Heidelberg Cement to the portfolio while removing precious metals miner Randgold. We also added Asian travel provider Ctrip, Mexican beverage bottler FEMSA, and financials providers Zurich Insurance and Bank of China Hong Kong. To make room for these new holdings we exited our positions in CK Hutchison, Nippon Telegraph & Telephone, British American Tobacco, Brazilian retailer CBD, and Spanish industrial ACS. We also chose to increase our existing positions in Caixabank, Hitachi, Statoil, and Technip while trimming our positions in Airbus, Ashtead, and Sony.

The net effect of these moves was to reposition some of our Industrials exposure to other cyclical sectors such as Financials and Materials, while lowering our exposure to Telecom which has been struggling with slower growth, less favorable regulation, and rising bond yields. At the end of the quarter our largest overweights were in Materials, Technology, and Financials while our largest underweights were in Healthcare and Consumer Staples.

Regionally, we finished the quarter with our largest underweights in Japan and the UK. Japan's fundamentals remain attractive but the Yen has been strong, leading many market participants to focus elsewhere. We still like Japan and our underweight at this time is more due to finding opportunities elsewhere than as a result of a negative view on the country. The UK is still grappling with BREXIT related uncertainty, although we do continue to own some UK-based names which have a revenue profile that is global in nature and less impacted by BREXIT. Our most notable geographic increase in the quarter was in favor of Emerging Markets, where we added exposure in China and Mexico alongside existing exposure in Indonesia and Brazil.

Sector Weights (in %) as of 09/30/17



Investment Outlook

Three straight quarters of strong returns for the MSCI EAFE Index has created a challenging relative performance environment for us in 2017 given our core relative value style. We are pleased to deliver strong absolute performance during the year and outperformance versus the benchmark in the third quarter as our repositioning (e.g. overweight technology and energy, underweight consumer staples and healthcare) was well rewarded along with an additional positive contribution from stock selection. We are optimistic that this quarter was an inflection point where our high conviction, cash-flows based, macro-aware investment style will be better recognized by the market.

Positive global GDP growth, backed up by strengthening consumer confidence, labor levels approaching full employment, and inflation slowly approaching target levels, underpin our continued optimism. Regardless of where one finds oneself on the political spectrum here or abroad, one thing is clear – profit growth is accelerating globally. The duration of the current bull market and relatively expensive valuations in the U.S. have led many investors to become uneasy about one of the greatest bull markets in history. However, steepening yield curves bode well for global banks, leading indicators remain in mildly expansionary territory, and wage growth is healthy at 2%--but well below the 4% clip that typically portends the beginning of a recession. Against this backdrop we see little near term risk of recession absent a major geopolitical event or a central bank policy error.

The US dollar has weakened by roughly 9% on a year-to-date basis, which was not expected given the Fed's current outlook. And while this typically would bode well (and has) for emerging markets, we have not seen it have a detrimental impact on developed European and APAC markets as would typically be the case. This resilience can be largely attributed to positive economic sentiment, particularly in the Eurozone and China, greater affordability of price inelastic items such as food and energy caused by the weak USD, and steeper yield curves to aid the Financials sector. With the Fed funds rate tracking below inflation, consensus expectations being in favor of a US rate hike in December, and the US economy running near full employment, it's difficult to imagine a scenario in the coming quarters where US rates don't track higher and lift the USD. We began to see the dollar perk up near the end of the third quarter, but it is too early to tell if it is just a bounce or signaling a new direction.

Hurricanes Harvey, Irma, and Maria devastated many communities in the U.S. and the Caribbean during the quarter. It goes without saying that we are saddened by the loss of human life and property associated with these events. From an international investor's perspective we note two key economic themes. First, in the Energy sector, the primary impact was from Hurricane Harvey in Texas and Louisiana. The storm knocked a significant portion of U.S. refinery capacity offline and shut down marine terminals which impacted both imports and exports. US crude oil inventory drawdowns are being especially closely watched during this time of OPEC supply curbs, and the storm impact will create noise in these reports – and potentially the market price of oil and gas during the fourth quarter. The hurricanes also had a material impact on the insurance and reinsurance sector, after nearly a decade's worth of minimal hurricane losses. Reinsurance premiums had actually become less attractive, as fewer insurers looked to offload storm-related risks from their balance sheets. We note that reinsurance stocks tend to bottom out about a month after storms hit, and we have considered opportunities in this space.

Overall it was a satisfying quarter, as our views and portfolio alignment were rewarded after several quarters of us trying to keep up with a one-directional market. And while we believe we are correctly aligned for the current economic fundamentals, and we believe our stock selections represent the best of our ideas, we continue to keep a close eye on political events such as China's upcoming leadership changes, the independence movement in Catalonia, and the latest news from the Korean peninsula.

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.

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Senior Portfolio Manager

John Creswell
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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.

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	11.4	5 or fewer	100%	-0.40	-3.35	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.

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.

Performance presented for the period August 1, 2012 through September 6, 2016 occurred while the Portfolio Manager was affiliated with Euclid Advisors LLC. Performance presented prior to August 1, 2012 occurred while the Portfolio Manager was affiliated with Avatar Associates. From 2006 through 2010, none of the portfolios in the Composite were fee-paying; effective December 31, 2011 and forward, all of the portfolios in the Composite are fee-paying. For all periods, the Portfolio Manager was the only individual responsible for selecting securities to buy and sell. This presentation conforms to the GIPS guidelines regarding the portability of investment results.

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. The table above reflects corrected 2016 Composite assets of $11.4 million, which had previously been input as $113.8 million.

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.