

## INVESTMENT OVERVIEW

The Fund strives to deliver exposure to U.S.-listed large-cap companies that combine strong quality fundamentals with positive momentum technical trends. The Fund seeks investment results that correspond, before fees and expenses, to the performance of the Terranova U.S. Quality Momentum Index.

## KEY FEATURES

**Core Equity Holding** — Strives to provide exposure to the best performing U.S. large-cap companies with the highest quality fundamental characteristics, resulting in a distinct portfolio built for long-term growth.

**Introducing Quality Momentum** — Systematically seeks to identify and capture the returns of high-conviction investment opportunities characterized by fundamental (quality) and technical (momentum) attributes.

**Equal Weighted** — Equal stock weightings, at the time of quarterly Index rebalance, help ensure balance and diversification, while also attempting to reduce over-concentration, single event stock risk, and limitations, relative to traditional cap-weighted strategies.

## INVESTMENT PROCESS

- 1** Screen the 500 largest U.S. companies with the highest **positive momentum**, calculated as the last 12 months' total return. The top 250 stocks are included in the selection list.

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- 2** Each security in the selection list is graded on **three quality factors** (return on equity, debt to equity, annualized sales growth rate over the past three years), and then ranked by its composite score. The 125 highest ranking stocks form the final portfolio.

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- 3** Portfolio of 125 holdings is **equal weighted** and rebalanced quarterly.

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	<b>NASDAQ</b>
NAV Symbol	JOET.NV
IOPV Symbol	JOET.IV
CUSIP	92790A504
Inception Date	11/17/20
Total Expense Ratio	0.29%
Adviser	Virtus ETF Advisers LLC
Distributor	VP Distributors, LLC
Index Provider	INDXX, LLC
Benchmark	Terranova U.S. Quality Momentum Index

## INVESTMENT PROFESSIONALS

### Matthew B. Brown

Chief Operating Officer and Portfolio Manager, Virtus ETF Advisers LLC  
 Industry start date: 1999  
 Start date as Fund Portfolio Manager: 2020

### Seth Kadushin

Portfolio Manager, Virtus ETF Advisers LLC  
 Industry start date: 1988  
 Start date as Fund Portfolio Manager: 2020

## INVESTMENT METHODOLOGY

Joe Terranova, Senior Managing Director and Chief Market Strategist for Virtus Investment Partners, created and developed the Terranova U.S. Quality Momentum Index, whose methodology reflects the investing principles he has utilized to assess markets throughout his 30+ year career on Wall Street. Indxx, LLC is the index provider and calculation agent. The portfolio managers are affiliated with Virtus ETF Advisers, LLC, the Fund's adviser.

## IMPORTANT RISK CONSIDERATIONS

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

## BENCHMARK

The **Terranova U.S. Quality Momentum Index** is an equally weighted index designed to provide diversified exposure to quality momentum large-cap equities listed in the United States. 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.

IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

The Fund is an exchange-traded fund ("ETF"). The "net asset value" (NAV) of the Fund is determined at the close of each business day, and represents the dollar value of one share of the Fund; it is calculated by taking the total assets of the Fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV of the Fund is not necessarily the same as its intraday trading value. Fund investors should not expect to buy or sell shares at NAV because shares of ETFs such as the Fund are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Thus, shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. NAV returns are calculated using the Fund's daily 4:00 pm NAV, and include the reinvestment of all dividends and other distributions (reinvested at the Fund's NAV on distribution ex-date). Market price returns are calculated using the 4:00 pm midpoint between the bid and offer, and include the reinvestment of all dividends and other distributions (reinvested at the 4:00 pm bid/offer midpoint on distribution ex-date). Market price returns do not represent the return you would receive if you traded at other times.

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

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