



NEWS RELEASE

Virtus Launches Virtus KAR Small-Mid Growth Fund Managed by Kayne Anderson Rudnick

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Leverages firm's SMID growth capabilities and high-quality investment approach

HARTFORD, Conn. , Dec. 9, 2020 /PRNewswire/ -- **Virtus Investment Partners** (NASDAQ: VRTS), which operates a multi-boutique asset management business, and affiliated manager **Kayne Anderson Rudnick Investment Management** (KAR) today introduced the **Virtus KAR Small-Mid Cap Growth Fund** (A Shares: VAKSX; C Shares: VCKSX; I Shares: VIKSX; R6 Shares: VRKSX), which offers investors exposure to high-quality domestic small- and mid-cap growth companies.

Portfolio manager Julie Biel , CFA, said the fund invests in a select group of small- and mid-market capitalization companies that KAR believes are undervalued relative to their growth potential. Utilizing the firm's disciplined, quality-focused investment process to identify companies that possess enduring competitive advantages, the fund seeks long-term capital appreciation by investing in small- and mid-cap companies with lower overall risk characteristics, sustainable competitive advantages, strong management, and the opportunity to grow over market cycles. Benchmarked to the Russell 2500 ® Growth Index, the fund is designed to be a high-conviction, concentrated portfolio of approximately 20-35 holdings.

"At KAR, we look for companies with unique business models that generate strong free cash flow and returns on capital and are led by management teams that are good stewards of capital," said Doug Foreman , chief investment officer, KAR. "Our approach allows us to maintain a competitive edge with rigorous, fundamental research, filtering out lower-quality companies in favor of ones that we believe have potential to grow their businesses over the long term."

Frank Waltman , executive vice president, product management for Virtus, said that the Virtus KAR Small-Mid Cap Growth Fund is a natural extension for KAR's product offerings in mutual funds and retail and institutional separate accounts. KAR manages domestic and international equity strategies in core, value and growth styles across all market capitalizations, with an emphasis on small- and mid-cap companies.

"KAR is respected for its deep fundamental research and ability to identify high-quality companies that dominate their markets," noted Waltman. "As with each of our affiliated managers, we look to leverage strong performing strategies in a variety of product structures."

About Kayne Anderson Rudnick

Kayne Anderson Rudnick is an investment management firm founded in 1984 by entrepreneurs Richard Kayne and John Anderson , for whom the Anderson School of Management at the University of California, Los Angeles is named. Based in Los Angeles, the firm had \$42.1 billion in assets under management as of September 30, 2020 . The company builds equity portfolios of companies that have strong, consistent growth with low business and financial risk and manages assets for corporations, endowments, foundations, public entities and high-net-worth individuals. With more than 30 years of experience, KAR is known for its commitment to high quality in its business practices and investment strategies.

About Virtus Investment Partners, Inc.

Virtus Investment Partners (NASDAQ: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors. The company provides investment management products and services through its affiliated managers and select subadvisers, each with a distinct investment style, autonomous investment process, and individual brand. Virtus offers access to a variety of investment styles across multiple disciplines to meet a wide array of investor needs. In addition to Kayne Anderson Rudnick, its affiliates include **Ceredex Value Advisors** , **Duff & Phelps Investment Management** , **Newfleet Asset Management** , **Rampart Investment Management** , **Seix Investment Advisors** , **Silvant Capital Management** , **Sustainable Growth Advisers** , and **Virtus ETF Solutions** . Additional information is available at virtus.com .

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. **Limited Number of Investments**: Because the fund has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a fund with a greater number of securities. **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.

Please consider the investment objectives, risks, charges, and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. For this and other information about any Virtus mutual fund, contact your financial representative, call 1-800-243-4361, or visit **Virtus.com** . Read the prospectus carefully before you invest or send money.

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