

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Virtus Dynamic Trend Fund		2 Issuer's employer identification number (EIN) 13-3987445	
3 Name of contact for additional information Mutual Fund Services	4 Telephone No. of contact 800-243-1574	5 Email address of contact virtus.investment.partners@virtus.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 101 Munson Street		7 City, town, or post office, state, and Zip code of contact Greenfield, MA 01301	
8 Date of action 02/05/2016		9 Classification and description Regulated Investment Company Shares - Class A, Class C, Class I and Class R6 Shares	
10 CUSIP number See Attached	11 Serial number(s) N/A	12 Ticker symbol See Attached	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On February 5, 2016, Virtus Equity Trend Fund acquired all of the assets and assumed all of the liabilities of the issuer in exchange for voting shares of beneficial interest. (Details below.) The merger of Virtus Dynamic Trend Fund into Virtus Equity Trend Fund qualifies as a tax-free reorganization within the meaning of Internal Revenue Code §368(a).**

The exchange is based on the number and value of shares outstanding at the close of business February 5, 2016.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **A shareholder's aggregate basis in the shares of Virtus Equity Trend Fund they received in exchange for their shares of Virtus Dynamic Trend Fund will be the same as their aggregate basis in shares of Virtus Dynamic Trend Fund. The number of Virtus Equity Trend Fund shares that were received for each share of Virtus Dynamic Trend Fund surrendered in the exchange is as follows:**

- 0.807080069 Virtus Equity Trend Fund class A shares for one Virtus Dynamic Trend Fund class A share**
- 0.743848798 Virtus Equity Trend Fund class C shares for one Virtus Dynamic Trend Fund class C share**
- 0.815680892 Virtus Equity Trend Fund class I shares for one Virtus Dynamic Trend Fund class I share**
- 0.815232958 Virtus Equity Trend Fund class R6 shares for one Virtus Dynamic Trend Fund class R6 share**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **There was no change in aggregate basis as a result of the above described organizational action. The net asset value of Virtus Dynamic Trend Fund shares that were surrendered in the exchange for each share of Virtus Equity Trend Fund is as follows:**

- A Shares - The net asset value for each share surrendered from Virtus Dynamic Trend Fund in the exchange was \$9.1263. The net asset value for each share received from Virtus Equity Trend Fund in the exchange was \$11.3078.**
- C Shares - The net asset value for each share surrendered from Virtus Dynamic Trend Fund in the exchange was \$8.2019. The net asset value for each share received from Virtus Equity Trend Fund in the exchange was \$11.0263.**
- I Shares - The net asset value for each share surrendered from Virtus Dynamic Trend Fund in the exchange was \$9.2716. The net asset value for each share received from Virtus Equity Trend Fund in the exchange was \$11.3667.**
- R6 Shares - The net asset value for each share surrendered from Virtus Dynamic Trend Fund in the exchange was \$9.2789. The net asset value for each share received from Virtus Equity Trend Fund in the exchange was \$11.3819.**

The net asset values above are as of the close of business on February 5, 2016.

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Internal Revenue Code §368(a), §358, §354.

18 Can any resulting loss be recognized? ▶ There was no gain or loss on the transaction. Accordingly, each investor's aggregate basis in the shares of Virtus Equity Trend Fund received in the exchange will be the same as the aggregate basis in their shares of Virtus Dynamic Trend Fund surrendered.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The above described organizational action is reportable in the tax year 2016.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 2/17/2016

Print your name ▶ A signed copy is maintained by the issuer Title ▶ Vice President

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

VIRTUS DYNAMIC TREND FUND

<u>Share Class</u>	<u>Box 10, CUSIP</u>	<u>Box 12, Ticker Symbol</u>
Class A	92828R727	EMNAX
Class C	92828R693	EMNCX
Class I	92828R297	VIMNX
Class R6	92828W577	VDARX

VIRTUS EQUITY TREND FUND

<u>Share Class</u>	<u>Box 10, CUSIP</u>	<u>Box 12, Ticker Symbol</u>
Class A	92828R255	VAPAX
Class C	92828R248	VAPCX
Class I	92828R230	VAPIX
Class R6	92828W536	VRPAX