

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name VIRTUS BOND FUND		2 Issuer's employer identification number (EIN) 94-6691953	
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 09/30/2015	9 Classification and description Return of Capital		
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 ▶ During the fiscal year ended September 30, 2015, the issuer distributed amounts to its shareholders, a portion of which constituted a non-taxable return of capital. See attachment for a list of distribution dates and return of capital amounts per share.

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 ▶ The attachment provides the total distribution per share, as well as the non-taxable return of capital per share, on a distribution by distribution basis. The return of capital per share should reduce the taxpayer's adjusted basis of each share held on the date of each listed distribution by 20.7476% of the original distribution amount.

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 ▶ An analysis of the issuer's current and accumulated earnings and profits was performed as of 09/30/15, in order to determine the portion of the distribution that constituted a dividend and the portion that constituted a non-taxable return of capital.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
§301(c) and §316(a)

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ **The return of capital per share should reduce the taxpayer's adjusted basis of each share held on the date of distribution. Upon disposition of all or a portion of the shares, the taxpayer should recognize greater gain/less loss.**

Blank lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
The reportable tax year of the distributions is 2015. Actual return of capital will be reflected on the taxpayer's 2015 Form 1099.

Blank lines for providing other necessary information for the adjustment.

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 ▶ *[Handwritten Signature]* Date ▶ *11/12/2015*

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 Bond Fund
Form 8937 Attachment
09/30/2015

EIN: 94-6691953

		Original				Revised Ordinary Income	Revised Ordinary Income	Revised Ordinary Income	Revised Ordinary Income	Revised Return of Capital ("ROC")	Revised Return of Capital ("ROC")	Revised Return of Capital ("ROC")	Revised Return of Capital ("ROC")	ROC as percent of Original
		92828R107 SAVAX	92828R206 SAVBX	92828R305 SAVCX	92828R404 SAVYX	92828R107 SAVAX	92828R206 SAVBX	92828R305 SAVCX	92828R404 SAVYX	92828R107 SAVAX	92828R206 SAVBX	92828R305 SAVCX	92828R404 SAVYX	
Accrual Begin	Accrual End	CLASS A	CLASS B	CLASS C	CLASS I	CLASS A	CLASS B	CLASS C	CLASS I	CLASS A	CLASS B	CLASS C	CLASS I	
1/2/2015	1/30/2015	0.036709924	0.029778969	0.029736654	0.039099093	0.029093501	0.023600552	0.023567016	0.030986975	0.007616423	0.006178417	0.006169638	0.008112118	20.7476%
2/2/2015	2/27/2015	0.035704018	0.029403425	0.029402539	0.037868667	0.028296296	0.023302924	0.023302222	0.030011833	0.007407722	0.006100501	0.006100317	0.007856834	20.7476%
3/2/2015	3/31/2015	0.034452406	0.027691141	0.027733771	0.036774180	0.027304364	0.021945898	0.021979683	0.029144426	0.007148042	0.005745243	0.005754088	0.007629754	20.7476%
4/1/2015	4/30/2015	0.027664022	0.020883964	0.020867270	0.030000000	0.021924405	0.016551046	0.016537815	0.023775724	0.005739617	0.004332918	0.004329455	0.006224276	20.7476%
5/1/2015	5/29/2015	0.027593174	0.020602356	0.020573041	0.030000002	0.021868257	0.016327865	0.016304632	0.023775726	0.005724917	0.004274491	0.004268409	0.006224276	20.7476%
6/1/2015	6/30/2015	0.027692555	0.020957235	0.020968727	0.030000000	0.021947018	0.016609115	0.016618222	0.023775724	0.005745537	0.004348120	0.004350505	0.006224276	20.7476%
7/1/2015	7/31/2015	0.029408680	0.022082441	0.022043575	0.031935486	0.023307089	0.017500868	0.017470065	0.025309644	0.006101591	0.004581573	0.004573510	0.006625842	20.7476%
8/3/2015	8/31/2015	0.025854212	0.019442076	0.019414512	0.028064518	0.020490087	0.015408315	0.015386470	0.022241808	0.005364125	0.004033761	0.004028042	0.005822710	20.7476%
9/1/2015	9/30/2015	0.027721918	0.021125676	0.021110102	0.030000000	0.021970289	0.016742608	0.016730266	0.023775724	0.005751629	0.004383068	0.004379836	0.006224276	20.7476%
		0.272800909	0.211967283	0.211850191	0.293741946	0.216201307	0.167989190	0.167896392	0.232797585	0.056599602	0.043978093	0.043953799	0.060944361	