

INVESTMENT OPPORTUNITY

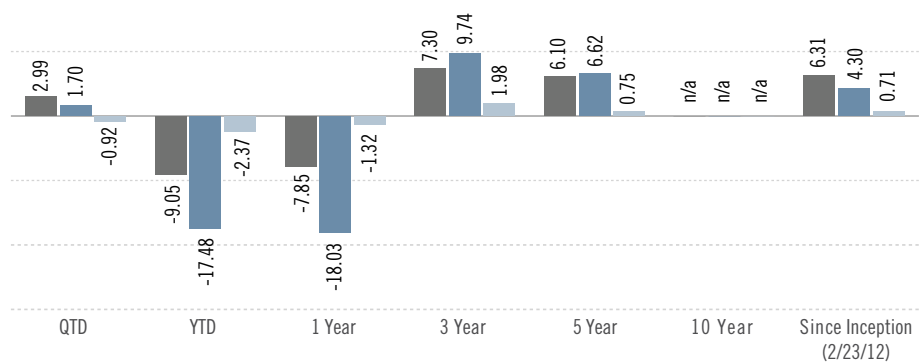
The Fund's investment objective is to maximize current income while preserving capital. The fund seeks to generate high current income and total return by applying extensive credit research to capitalize on opportunities across undervalued sectors of the global bond markets. The Fund also pursues an options overlay strategy that seeks to generate additional income.

The portfolio seeks global diversification among 14 sectors in order to potentially increase return and manage risk.

A team of investment professionals provides significant research depth across all sectors of the global bond markets.

The Fund's options overlay strategy is being implemented through the use of index-based, out-of-the-money put and call spreads. This strategy is driven by implied volatility, as measured by the CBOE® Volatility Index (or "VIX®" as it's also called), and seeks to exploit pricing inefficiencies in options on the S&P 500® Index.

AVERAGE ANNUAL TOTAL RETURNS (%) as of 09/30/18 ■ NAV ■ Market Price ■ Index



The fund gross expense ratio is 2.42%. Shares of the Fund are bought and sold on the NYSE and are not subject to a sales charge. Excluding interest expense, the expense ratio would have been 1.75%. Performance reflects the deduction of fund operating expenses. Performance does not reflect the incurrence of brokerage expenses, which typically apply to exchange traded products. Total return net of brokerage expenses would be lower than the total returns on market value shown in the table. Average annual total return is the annual compound return for the indicated period. It reflects the change in share price and the reinvestment of all dividends and capital gains.

ANNUAL PERFORMANCE (%)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
NAV	14.25	17.05	2.41	4.81	1.89	n/a	n/a	n/a	n/a	n/a
Market Price	27.54	23.06	1.66	2.94	-2.55	n/a	n/a	n/a	n/a	n/a
Index	7.39	2.09	-3.15	0.59	-2.59	n/a	n/a	n/a	n/a	n/a

Performance data quoted represents past results. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quoted. Please visit www.virtus.com for performance data current to the most recent month-end.

NYSE Ticker	VGI
Market Price	\$13.22
Net Asset Value	\$14.32
Discount to Net Asset Value	-7.68%
Number of Investments	446
Number of Shares Outstanding	11.3 m
Total Net Assets	\$161.8 m
Debt Leverage	\$67.0 m
Total Managed Assets	\$228.8 m
Dividends	Monthly
Index	Bloomberg Barclays Global Aggregate Bond Index
Investment Adviser	Virtus Investment Advisers, Inc.
Investment Subadvisers	Newfleet Asset Management, LLC Rampart Investment Management Company, LLC

INVESTMENT MANAGER OF THE FUND

Newfleet Asset Management leverages the knowledge and skill of investment professionals with expertise in every sector of the bond market, including evolving, specialized, and out-of-favor sectors. The team employs active sector rotation and disciplined risk management to portfolio construction, avoiding interest rate bets and remaining duration neutral to each strategy's stated benchmark.

The options overlay strategy is managed by Rampart Investment Management, one of the leading asset managers specializing in option strategies. A registered investment adviser since 1983, Rampart manages client positions and portfolios using domestic and international index and equity options.

INVESTMENT PROFESSIONALS

David L. Albrycht, CFA
Industry start date: 1985
Start date with Fund: 2012

Benjamin Caron, CFA
Industry start date: 1997
Start date with Fund: 2012

Kyle A. Jennings, CFA
Industry start date: 1992
Start date with Fund: 2012

Daniel P. Senecal, CFA
Industry start date: 1990
Start date with Fund: 2012

Warun Kumar
Industry start date: 1993
Start date with Fund: 2014

FIXED INCOME SECTOR ALLOCATIONS	% Fund	RATINGS DISTRIBUTIONS	% Fund	TOP TEN HOLDINGS	% Fund
Corporate - High Quality	24.14	Aaa	8.93	United States Treasury Note/Bond, 2.2500% 08/15/2027	1.81
Corporate - High Yield	21.07	Aa	3.66	United States Treasury Note/Bond, 2.3750% 01/31/2023	1.57
Bank Loans	12.21	A	7.27	Philippine Government International Bond, 9.5000% 02/02/2030	1.12
Emerging Market - High Yield	10.42	Baa	38.69	Indonesia Government International Bond, 8.5000% 10/12/2035	1.09
Yankee - High Quality	9.18	Ba	13.94	iShares iBoxx \$ High Yield Corporate Bond ETF	1.06
Asset Backed Securities	6.48	B	18.71	Towd Point Mortgage Trust, 3.2500%	0.99
Non-Agency Residential MBS	5.66	Caa	4.31	Fannie Mae Pool, 4.0000%	0.97
Non-USD	3.02	Ca	0.08	Ocp SA , 5.6250% 04/25/2024	0.95
Mortgage Backed Securities	2.64	C	0.34	Fannie Mae Pool, 3.5000%	0.94
Treasury	2.41	Not Rated	4.06	Petrobras Global Finance BV, 7.3750% 01/17/2027	0.94
Non-Agency Commercial MBS	2.04				
Taxable Municipals	0.68				
Equity	0.05				
		DISTRIBUTION HISTORY			
		Ex-Date	Distribution		
		10/11/2017	\$0.156		
		11/10/2017	\$0.156		
		12/8/2017	\$0.156		
		1/4/2018	\$0.156		
		2/9/2018	\$0.156		
		3/9/2018	\$0.156		
		4/11/2018	\$0.156		
		5/10/2018	\$0.156		
		6/8/2018	\$0.126		
		7/11/2018	\$0.126		
		8/10/2018	\$0.126		
		9/13/2018	\$0.126		
FIXED CHARACTERISTICS	Fund				
Duration	4.57				
Adjusted Maturity	7.05				

Holdings and sector weightings are subject to change.

IMPORTANT RISK CONSIDERATIONS

Fundamental Risk of Investing: There can be no assurance that the Fund will achieve its investment objectives. An investment in the shares of the Fund is subject to the risk of loss of principal; shares may decrease in value. **Credit & Interest:** Debt securities are subject to various risks, the most prominent of which are credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt securities may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Options Overlay:** The options overlay strategy may not be successful in achieving its objective of increasing distributable income while limiting the risk of loss and, in periods of significant moves in the S&P 500® Index, has resulted and, in the future, may result in losses for investors. **High Yield-High Risk Fixed Income Securities:** There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities. **ABS/MBS:** Changes in interest rates can cause both extension and prepayment risks for asset- and mortgage-backed securities. These securities are also subject to risks associated with the repayment of underlying collateral. **Bank Loans:** Loans may be unsecured or not fully collateralized, may be subject to restrictions on resale and/or trade infrequently on the secondary market. Loans can carry significant credit and call risk, can be difficult to value, and have longer settlement times than other investments, which can make loans relatively illiquid at times. **Leverage:** When a fund leverages its portfolio, the value of its shares may be more volatile and all other risks may be compounded. **Call/Put Spreads:** Buying and selling call and put option spreads on the SPX Index risks the loss of the premium when buying, can limit upside participation, and increase downside losses. **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.

GLOSSARY

Duration: Represents the interest rate sensitivity of a fixed income fund. For example, if a fund's duration is five years, a 1% increase in interest rates would result in a 5% decline in the fund's price. Similarly, a 1% decline in interest rates would result in a 5% gain in the fund's price. **Adjusted Maturity:** The length of time until the average security in a fund will mature, be redeemed by its issuer, or paid down over time, which is the case with most securitized assets. **Index:** The Bloomberg Barclays Global Aggregate Bond Index measures the global investment grade fixed rate bond market. 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.

NET ASSET VALUE VS. MARKET PRICE

Net Asset Value (NAV) represents the total value of all assets held by the Fund (minus its total liabilities), divided by the total number of common shares outstanding. The net asset value reflects the performance of the manager. Market Price is the price at which investors may purchase or sell shares of the Fund on the New York Stock Exchange. Market Price is determined in the open market by buyers and sellers, based on supply and demand. The Fund's Market Price fluctuates throughout the day and may differ from its underlying NAV. Shares of the Fund may trade at a premium (higher than) or a discount (lower than) to NAV. This characteristic is a risk separate and distinct from the risk that the Fund's net asset value could decline. The Fund has no control over the market price. The difference between the market price and the NAV (Premium/Discount) is expressed as a percentage of NAV.

RATINGS DISTRIBUTION METHODOLOGY

The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government debt issues. The ratings apply to the fund's holdings and not the fund itself. The higher of the ratings between Moody's, Standard & Poor's, and Fitch is used. If one of the three agencies does not have a rating, the higher of the other two ratings is used. If only one agency has rated the bond, the rating from that agency is used. If none of the three agencies have rated the bond, the bond is placed in the Not Rated category. Credit ratings are subject to change. Aaa, Aa, A, and Baa are investment grade ratings; Ba, B, Caa, Ca, C, and D are below-investment grade ratings.

FUND DISTRIBUTION AND MANAGED DISTRIBUTION PLAN

The Board of Directors of the Fund adopted a Managed Distribution Plan, which provides for the Fund to make a regular monthly distribution of \$0.126 per share.

This notice discloses information on the sources of the distribution as required by SEC Rule 19(a) of the Investment Company Act of 1940 and the Fund's SEC Exemptive Order under Section 19(b) as follows:

DISTRIBUTION ESTIMATES

	SEPTEMBER 2018 (MTD)		YEAR-TO-DATE (YTD) ¹	
	Per Share Amount	% of Current Distribution	Per Share Amount	% of Current Distribution
Net Investment Income	\$0.049	38.7%	\$0.615	42.7%
Net Realized Short-Term Capital Gains	—	0.0%	—	0.0%
Net Realized Long-Term Capital Gains	—	0.0%	—	0.0%
Return of Capital (or other Capital Sources)	\$0.077	61.3%	\$0.825	57.3%
Total Distribution	\$0.126	100.0%	\$1.440	100.0%

Information regarding the fund's performance and distribution rates is set forth below. Please note that all performance figures are based on the fund's NAV and not the market price of the fund's shares. Performance figures are not meant to represent individual shareholder performance.

SEPTEMBER 28, 2018

Average Annual Total Return on NAV for the 5-year period ²	6.10%
Current Fiscal YTD Annualized Distribution Rate ³	10.56%
Average YTD Cumulative Total Return on NAV ⁴	-7.58%
YTD Cumulative Distribution Rate ⁵	10.06%

Under the terms of the Fund's Managed Distribution Plan, the Fund seeks to maintain a consistent distribution level that may be paid in part or in full from net investment income, realized capital gains, and a return of capital, or a combination thereof. You should not draw any conclusions about the Fund's investment performance from the amount of this distribution or from the terms of the Fund's Managed Distribution Plan. Shareholders should note, however, that if the Fund's aggregate net investment income and net realized capital gains are less than the amount of the distribution level, the difference will be distributed from the Fund's assets and will constitute a return of the shareholder's capital. The Board of Directors of the Fund may amend, suspend, or terminate the Managed Distribution Plan at any time, without prior notice to shareholders, if it deems such action to be in the best interest of the Fund and its shareholders. The termination, amendment, or suspension of the Managed Distribution Plan may cause a loss in the market value of the Fund's shares.

The amounts and sources of distributions reported in Section 19(a) Notices are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during the remainder of the fiscal year and may be subject to changes based on tax regulations. The Fund or your broker will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

The Fund estimates that it has distributed more than its income and capital gains; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the fund is paid back to you. A return of capital distribution does not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income."

FOR MORE INFORMATION

Contact your financial representative, or call Virtus Closed-End Funds for service at 1-866-270-7788. Information on the Fund is available at www.virtus.com.

¹ YTD December 1, 2017 to November 30, 2018.

² Average Annual Total Return on NAV is the annual compound return for the five-year period. It reflects the change in the fund's NAV and reinvestment of all distributions.

³ Current Fiscal YTD Annualized Distribution Rate is the current distribution rate annualized as a percentage of the fund's NAV at month end.

⁴ YTD Cumulative Total Return on NAV is the percentage change in the fund's NAV from the first day of the year to this month end, including distributions paid and assuming reinvestment of those distributions.

⁵ YTD Cumulative Distribution Rate is the dollar value of distributions from the first day of the year to this month end as a percentage of the fund's NAV at month end.