

**VIRTUS FUNDS<sup>1</sup>**  
(each, a “Fund” and together, the “Funds”)

**AUDIT COMMITTEE CHARTER**

**Purposes**

The purposes of the Audit Committee (the “Committee”) are:

- (a) to oversee the Funds’ accounting and financial reporting processes, their internal control over financial reporting and, as appropriate, to inquire into the internal control over financial reporting of certain service providers;
- (b) to oversee the quality and integrity of the Funds’ financial statements and the independent audit thereof;
- (c) to oversee, or, as appropriate, assist Board oversight of, the Funds’ compliance with legal and regulatory requirements that relate to the Funds’ accounting and financial reporting, internal control over financial reporting and independent audits;
- (d) to approve prior to appointment the engagement of the Funds’ independent auditors and, in connection therewith, to review and evaluate the qualifications, independence and performance of the Funds’ independent auditors, which review and evaluation may take into account the attached Audit Quality Indicators as guidance among other factors deemed relevant by the Committee;

and

- (e) to act as a liaison between the Funds’ independent auditors and the Board.

The Committee shall also have the responsibility and authority:

- (f) to carry out independent investigations of Fund matters relating to the Committee’s purposes as defined above; and
- (g) to retain and oversee outside experts to consult on such investigations, as necessary.

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<sup>1</sup> The Virtus Funds include The Merger Fund®, The Merger Fund® VL, Virtus Event Opportunities Trust, Virtus Alternative Solutions Trust, Virtus Asset Trust, Virtus Equity Trust, Virtus Investment Trust, Virtus Opportunities Trust, Virtus Retirement Trust, Virtus Strategy Trust and Virtus Variable Insurance Trust (the series of each of which collectively are the “Open-End Funds”) and also include Virtus Global Multi-Sector Income Fund, Virtus Total Return Fund Inc., Virtus Stone Harbor Emerging Markets Income Fund, Virtus Stone Harbor Emerging Markets Total Income Fund, Virtus Artificial Intelligence & Technology Opportunities Fund, Virtus Convertible & Income 2024 Target Term Fund, Virtus Convertible & Income Fund, Virtus Convertible & Income Fund II, Virtus Diversified Income & Convertible Fund, Virtus Dividend, Interest & Premium Strategy Fund and Virtus Equity & Convertible Fund (collectively, the “Closed-End Funds,” which collectively with the Open-End Funds are the “Funds”).

## **Summary of Responsibilities**

The function of the Committee is oversight; it is management's responsibility to maintain appropriate systems for accounting and internal control over financial reporting, and the auditors' responsibility to plan and carry out a proper audit. Specifically, Funds' management is responsible for: (1) the preparation, presentation and integrity of the Funds' financial statements; (2) the maintenance of appropriate accounting and financial reporting principles and policies; and (3) the maintenance of internal control over financial reporting and other procedures designed to assure compliance with accounting standards and related laws and regulations. The independent auditors are responsible for planning and carrying out an audit consistent with applicable legal and professional standards and the terms of their engagement letter. Nothing in this Charter shall be construed to reduce the responsibilities or liabilities of the Funds' service providers, including the independent auditors.

Although the Committee is expected to take a detached and questioning approach to the matters that come before it, the review of the Funds' financial statements by the Committee is not an audit, nor does the Committee's review substitute for the responsibilities of the Funds' management for preparing, or the independent auditors for auditing, the financial statements. Members of the Committee are not full-time employees of the Funds and, in serving on this Committee, are not, and do not hold themselves out to be, acting as accountants or auditors. As such, it is not the duty or responsibility of the Committee or its members to assure compliance with laws and regulations or to conduct "field work" or other types of auditing or accounting reviews or procedures.

In discharging their duties each member of the Committee is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (1) one or more officers of the Funds whom the Committee member reasonably believes to be reliable and competent in the matters presented; (2) legal counsel, public accountants, or other persons as to matters the Committee member reasonably believes are within the person's professional or experts competence; or (3) another Board committee of which the Committee member is not a member. Absent actual knowledge to the contrary, each Committee member is entitled to rely upon (1) the integrity and competence of those persons and organizations that render services to the Funds and from whom the Committee receives the information, opinions, reports or statements described above and (2) the accuracy and completeness (both at the time of presentation and on a continuing basis, as appropriate) of such information, opinions, reports or statements.

Management of the Funds shall provide or arrange to provide such information, data and services as the Committee may request.

The independent auditors for the Funds shall report directly to the Committee.

## **Committee Composition**

The Committee shall consist of at least three (3) members, all of whom are members of the Boards of Trustees of the Funds (the "Board") and who are "disinterested" Trustees<sup>2</sup> as that term is defined in the Investment Company Act of 1940 or "independent" as defined in the Sarbanes-Oxley Act of 2002, whichever is more restrictive. Each member of the Committee shall be financially literate as that term is interpreted by the Board in its business judgment, and at least one member shall be an "audit committee financial expert" as that term is defined in Item 3 of Form N-CSR. The Governance and Nominating Committee shall recommend Committee assignments and a Committee chairperson, with such assignments and chairperson being approved by the Board. The Committee chairperson shall be responsible for the leadership of the

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<sup>2</sup> The term "Trustee" includes a Director of an investment company organized as a corporation.

Committee, including scheduling meetings, or reviewing and approving the schedule for them, preparing agendas or reviewing and approving them before meetings, presiding over meetings of the Committee and making reports to the Board, as appropriate. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies in it, subject to such new member(s) satisfying the independence, experience and financial expertise requirements referred to above.

## **Structure, Operations and Governance**

*Meetings and Records.* The Committee shall meet on a regular basis, as often as required and as the Committee considers appropriate. Meetings may be called and notice given by the Committee chairperson or a majority of the members of the Committee. Members may attend meetings in person or by telephone, video or other appropriate electronic media through which all persons participating in the meeting can hear each other at the same time. The Committee shall maintain minutes or other records of its meetings and activities and report to the Board on any action it takes not later than the next following Board meeting.

*Required Vote, Quorum and Actions by Written Consent.* The affirmative vote of a majority of the voting members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution. No resolution may be adopted at a meeting unless at least a majority of the voting members are present at the meeting. Notwithstanding the foregoing, to the extent permitted by law (unless precluded by the Funds' governing documents), the Committee may act by written consent of a majority of its members. Written consent may be evidenced by any form of electronic signature allowed by law.

*Appropriate Resources and Authority.* The Committee shall have the resources and authority to discharge its responsibilities, including the authority to retain special counsel and other advisers, experts or consultants, at the Funds' expense, as it deems necessary or appropriate to carry out its duties and responsibilities. In addition, the Committee shall have direct access to such officers of, and service providers to, the Funds, including subadvisers of the Funds, as it deems desirable.

*Review of Charter.* The Committee shall review and assess the adequacy of this Charter at least annually and, where necessary, will recommend changes. The Board may amend this Charter at any time in response to recommendations from the Committee or on its own initiative.

*Performance Evaluation.* The Audit Committee shall perform a review and evaluation, at least annually, of the performance of the Audit Committee and its members, including a review of the compliance of the Audit Committee with this Charter.

*Executive Sessions; Inviting Others.* The Committee may meet privately and may invite non-members to attend such meetings. The Committee may meet with representatives of the Funds' investment advisers, legal counsel of the Funds' investment advisers, compliance personnel of the investment advisers, and representatives of the Funds' Service Providers, including subadvisers of the Funds, to discuss matters that relate to the areas for which the Committee has responsibility. The Committee shall meet at least annually, in separate executive sessions, with representatives of Fund management and the Funds' independent auditors.

*Delegation.* The Committee may delegate any portion of its authority, including the authority to grant pre-approvals of audit and permitted non-audit services, to a subcommittee of one or more members. Any decisions of the subcommittee to grant pre-approvals shall be presented to the full Committee at its next regularly scheduled meeting.

*Consulting, Advisory or Other Services.* No Member of the Audit Committee may accept any consulting, advisory or other compensation from the Funds except compensation for service as a member of the Board

or a Committee of the Board, or be an affiliate of the Funds, their advisers or any of their subsidiaries or affiliates.

If an Audit Committee member serves on the audit committee of more than three public companies, the member shall continue to serve on the Audit Committee only if the Board determines that such simultaneous service would not impair the ability of the member to effectively serve on the Audit Committee. (Service on multiple audit committees in the same fund complex will be counted as one audit committee.)

### **Specific Duties and Powers of the Committee**

- (a) to consider and recommend prior to appointment the selection, retention or termination of independent auditors to annually audit and provide their opinion on the Funds' financial statements. Committee members shall evaluate the independent auditors' performance, compensation and costs, organizational capability and independence from management. The Committee will obtain receipt from the independent auditors of a formal written statement, no less frequently than annually in connection with the engagement of the independent auditors to audit the Funds' financial statements, delineating relationships between the independent auditors (and their related entities) and the Funds (and their related entities), consistent with Rule 3526 of the Public Company Accounting Oversight Board ("PCAOB"). The Committee will then make recommendations to the Board regarding the selection of independent auditors;
- (b) to approve prior to appointment the engagement of the auditors to provide other audit services to the Funds or to provide non-audit services to the Funds, the Funds' advisers or any entity controlling, controlled by, or under common control with the Funds' advisers ("adviser affiliate") that provides ongoing services to the Funds, if the engagement relates directly to the operations and financial reporting of the Funds;
- (c) to develop, to the extent deemed appropriate by the Committee, policies and procedures for pre-approval of the engagement of the Funds' auditors to provide any of the services described in (b) above;
- (d) to consider the controls applied by the auditors and any measures taken by management in an effort to assure that all items requiring pre-approval by the Committee are identified and referred to the Committee in a timely fashion;
- (e) to consider whether the non-audit services provided by the Funds' auditors to the Funds' advisers or any adviser affiliates that provide ongoing services to the Funds, which services were not pre-approved by the Committee, are compatible with maintaining the auditors' independence; however, the auditor should have all audit and non-audit services pre-approved by the Committee, before performing such service;
- (f) to review the arrangements for and scope of the annual audit and any special audits;
- (g) to review and approve the fees proposed to be charged to the Funds for each audit and non-audit service;
- (h) to consider information and comments from the auditors with respect to the Funds' accounting and financial reporting policies, procedures and internal control over financial reporting (including the Funds' critical accounting policies and practices such as valuation of securities, risk management and regulatory compliance), to consider management's responses to any such comments and, to the extent the Committee deems necessary or appropriate, to promote improvements in the quality

of the Funds' accounting and financial reporting;

- (i) for the Open-End Funds, to consider information and comments from the auditors with respect to, and meet with the auditors to discuss any matters of concern relating to, the Open-End Funds' financial statements, including any adjustments to such statements recommended by the auditors, and to review the auditors' opinion on such financial statements;
- (j) for the Closed-End Funds, to review the annual audited and the semi-annual financial statements, with Fund Management and the auditors, including major issues regarding the accounting and auditing principles and practices and including any related disclosures, to prepare an Audit Committee report related to the annual review for each of the Closed-End Funds to be included in the proxy statement for each Closed-End Fund's annual shareholders meeting and, if a fund chooses to include Management's Discussion of Fund Performance in its Form N-CSR, to meet to review and discuss it;
- (k) to receive at least annually a report from the independent auditors within 90 days prior to the filing of the auditors' report (or receive an updated report within such 90 day period, if the auditors' annual report is presented to the Committee more than 90 days prior to the filing of the auditors' report) which includes the following: (i) all critical accounting policies and practices used by the Funds (or, in connection with any update, any changes in such accounting policies and practices), (ii) all material alternative accounting treatments within GAAP that have been discussed with management since the last annual report or update, including the ramifications of the use of the alternative treatments and the treatment preferred by the accounting firm, (iii) other material written communications between the auditors and the management of the Funds since the last annual report or update, and (iv) a description of all non-audit services provided, including fees associated with the services, to the Funds' complex since the last annual report or update that were not subject to the pre-approval requirements as discussed above;
- (l) to consider the effect upon the Funds of any changes in accounting principles or practices proposed by management or the Funds' independent auditors and to review any other matters that may have a material effect on the Funds' financial statements;
- (m) to resolve any serious difficulties or disputes with management encountered during the course of the audit;
- (n) to obtain and review a report from the independent auditors at least annually regarding (i) the independent auditors' internal quality-control procedures, (ii) any material issues raised by the most recent quality-control review, or peer review, of the firm, (iii) information relating to criminal, civil, or administrative actions or disciplinary proceedings pending against the firm or any associated person of the firm in connection with any audit report, as provided under section 102 of the Sarbanes-Oxley Act of 2002, (iv) any steps taken to deal with any such issues disclosed by (ii) and (iii) above, (v) all relationships between the independent auditors and the Funds or their affiliates, and (vi) any reports of the independent auditors mandated by Section 10A of the Securities Exchange Act of 1934, as amended, including any information with respect to illegal acts in accordance with Section 10A;
- (o) to obtain and review from the independent auditors, at least annually, the inspection report of the independent auditors issued by the PCAOB;
- (p) to establish "whistleblower" procedures for (i) the receipt, retention and treatment of complaints received by the Funds regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Funds or any of their advisers of

concerns regarding questionable accounting or auditing matters. Such complaints and concerns shall be reported quarterly to the Committee, and the Funds and their advisers and contract providers shall notify all of their affected employees about the right to provide confidential and/or anonymous complaints or comments regarding questionable accounting matters;

- (q) to review disclosures made by the Funds' principal executive officer or officers and principal financial officer or officers regarding compliance with their certification obligations as required under the Sarbanes-Oxley Act of 2002 and the regulations and rules promulgated thereunder, including the Funds' disclosure controls and procedures and internal controls over financial reporting and evaluations thereof;
- (r) to receive and review reports from the Funds' principal executive officer and principal financial officer, or persons performing similar functions, regarding (i) any significant deficiencies and material weaknesses in the design or operation of the Funds' internal control over financial reporting which are reasonably likely to adversely affect the Funds' ability to record, process, summarize and report financial information, (ii) any fraud, whether or not material, that involves Fund management or other employees who have a significant role in the Funds' internal controls over financial reporting, and (iii) whether or not there were changes in the Funds' internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Funds' internal control over financial reporting;
- (s) with respect to the Closed-End Funds only:
  - (i) to discuss the Funds' press releases regarding earnings, and any financial information or earnings guidance provided to analysts or rating agencies, and
  - (ii) to review such other matters related to the Committee's areas of oversight as may be required of the Committee by any exchange on which a Fund's shares are listed;
- (t) to review, in consultation as appropriate with management and the independent auditors:
  - (i) The adequacy of the internal controls and disclosure controls and procedures, including computerized information system controls over the daily net asset valuation process (including valuation of securities and fair valuation processes),
  - (ii) The adequacy of internal controls at servicing agents employed on behalf of the Funds, including significant comments contained in servicing agents' auditors' reports on these controls, and
  - (iii) Findings and recommendations of the independent auditors on internal controls maintained by both the Funds and their servicing agents, together with responses of management, including the status of previous recommendations;
- (u) to investigate or initiate an investigation of reports of improprieties or suspected improprieties in connection with the Funds' accounting or financial reporting;
- (v) to report its activities to the Board on a regular basis and to make such recommendations with respect to the above and other matters as the Committee may deem necessary or appropriate; and
- (w) to perform such other functions and to have such powers as may be necessary or appropriate in the efficient and lawful discharge of the powers provided in this Charter.

In addition to the traditional audit committee responsibilities listed above, the Committee shall review, assist with, and provide recommendations to the Board as necessary, with respect to the subjects listed below, including the review of periodic reports, notwithstanding that the ultimate responsibility for these items continues to reside with the Board.

- (x) matters related to the valuation of portfolio securities, as appropriate and consistent with Rule 2a-5 of the Investment Company Act of 1940;
- (y) the review of complex securities held in the Funds;
- (z) matters relating to the Funds' securities lending program, trading practices and costs, foreign currency trading, foreign custody arrangements, prime brokerage arrangements, lending and borrowing; and
- (aa) the Open-End Funds' periodic distributions to shareholders.

*New Rules, Proposals and Regulations*

Notwithstanding the foregoing Committee responsibilities, the Committee shall be responsible for the oversight of new rules, proposals and regulations, only after the consideration and assignment of such oversight by the Executive Committee.

Amended and Restated: August 30, 2023

## Audit Quality Indicators (“AQIs”)

### Audit Professionals:

- Experience and competence of the engagement team in the asset management industry.
- Audit engagement team continuity and relative turnover of engagement team members.

### Audit Process:

- Compliance with Regulations – SEC, PCAOB, FASB, AICPA & IRS
- Investment in infrastructure supporting quality audits and improving audit efficiencies - technology/innovation, intellectual capital, policies and procedures
- Responsiveness to Audit Committee and Management

### Audit Results:

- Communication to both Audit Committee and Fund Management
- Enforcement and Litigation