

Offer by

VIRTUS CONVERTIBLE & INCOME FUND

(the “Fund”)

To Purchase

Up to 100% of Its Outstanding Auction Rate Preferred Shares

(Virtus Convertible & Income Fund: Auction Rate Preferred Shares Series A, Series B, Series C, Series D and Series E)

THE FUND’S OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON November 1, 2022, UNLESS THE OFFER IS EXTENDED.

The Fund’s Offer (as defined herein) is not conditioned on any minimum number of shares being tendered but is subject to certain other conditions as outlined in this Offer and in the related letter of transmittal.

If the Fund’s Offer is completed, the Fund will purchase Auction Rate Preferred Shares (“ARPS”) at a price equal to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share) in cash, plus any unpaid dividends accrued through November 1, 2022, or such later date to which the Offer is extended, less any applicable withholding taxes and without interest, and subject to the conditions set forth in the Offer to Purchase, dated October 3, 2022 (the “Offer to Purchase”) and in the related Letter of Transmittal (the “Letter of Transmittal” which, together with the Offer to Purchase, as each may be amended from time to time, constitutes the Fund’s “Offer”), if properly tendered and not withdrawn prior to the Expiration Date (as defined herein).

Neither the Fund, nor the Fund’s Board of Trustees (the “Board”) nor Virtus Investment Advisers, Inc., the investment manager for the Fund (the “Investment Manager” or “Virtus”), nor Voya Investment Management Co. LLC, the subadviser for the Fund (the “Subadviser”), makes any recommendation as to whether to tender or not to tender ARPS in the Offer. No person has been authorized to give any information or to make any representations in connection with the Offer other than those contained in this Offer and in the Letter of Transmittal, and, if given or made, such information or representations may not be relied upon as having been authorized by the Board or the officers of the Fund or the Investment Manager. The Fund has been advised that no Trustee or executive officer of the Fund intends to tender any ARPS pursuant to the Offer.

You may direct questions and requests for assistance to Georgeson Inc., the information agent for the Offer (the “Information Agent”), at its address and telephone number set forth on the back cover of this Offer. Shareholders may obtain additional copies of this Offer, the Letter of Transmittal, the Notice of Guaranteed Delivery, the Notice of Withdrawal or any other tender materials from the Information Agent and may also contact their brokers, dealers, banks, trust companies or other nominees for copies of these documents. If you do not wish to tender your ARPS, you need not take any action.

IMPORTANT PROCEDURES

If you want to tender all or a portion of your ARPS, you must do one of the following before the Fund's Offer expires:

- If your ARPS are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, contact the nominee and have the nominee tender your ARPS for you; or
- Deliver your ARPS pursuant to the procedures for book-entry transfers set forth in Section 3 of this Offer to Purchase prior to the Expiration Date of the Fund's Offer.

To tender your ARPS, you must follow the procedures described in this Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer.

THIS OFFER TO PURCHASE AND EACH FUND'S RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION, AND YOU SHOULD CAREFULLY READ BOTH IN THEIR ENTIRETY BEFORE YOU MAKE A DECISION WITH RESPECT TO THE OFFER.

October 3, 2022

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SUMMARY TERM SHEET

SECURITIES SOUGHT:	Up to 100% of the ARPS of the Fund
PRICE OFFERED PER SHARE:	97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share) in cash, plus any unpaid dividends accrued through November 1, 2022, or such later date to which the Offer is extended, less any applicable withholding taxes and without interest, and subject to the conditions set forth in this Offer.
SCHEDULED EXPIRATION DATE:	November 1, 2022
PURCHASER:	Virtus Convertible & Income Fund (“NCV”) This is an issuer tender offer.

The following are some of the questions that you, as an ARPS Holder (as defined herein), may have and answers to those questions. You should carefully read this Offer to Purchase (the “Offer to Purchase”) and the Fund’s related Letter of Transmittal (the “Letter of Transmittal” which, together with the Offer to Purchase, as each may be amended from time to time, constitutes the Fund’s “Offer”) in their entirety because the information in this summary term sheet is not complete and additional important information is contained in the Offer.

WHO IS OFFERING TO BUY MY ARPS?

This is an issuer tender offer. The Fund is offering to purchase ARPS it previously issued. The Fund is a Massachusetts business trust.

HOW MUCH IS THE FUND OFFERING TO PAY AND WHAT IS THE FORM OF PAYMENT?

The Fund is offering to purchase up to 100% of its outstanding ARPS, at a price per share equal to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share) in cash, plus any unpaid dividends accrued through November 1, 2022, or such later date to which the Offer is extended, less any applicable withholding taxes and without interest.

When considering whether to tender ARPS, you should be aware that the payment received pursuant to the Offer will be less than the liquidation preference of the ARPS. Under the Fund’s Bylaws, holders of the Fund’s ARPS would receive the full liquidation preference of the ARPS in certain limited circumstances — *i.e.*, in the event of the liquidation of the Fund or a mandatory redemption under the terms of the ARPS as a result of the Fund failing to meet certain asset coverage requirements.

WILL I HAVE TO PAY ANY FEES OR COMMISSIONS?

If you tender your ARPS in the Offer, you will not have to pay brokerage fees, commissions or similar expenses. If you own ARPS through a broker or other nominee holder, and your broker or other nominee holder tenders your ARPS on your behalf, your broker or other nominee holder may charge you a fee for doing so. You should consult your broker or other nominee holder to determine whether any charges will apply.

WHEN WILL THE TENDER OFFER EXPIRE AND MAY THE OFFER BE EXTENDED?

The Fund’s Offer will expire at 5:00 p.m., New York City time, on November 1, 2022, or such later date to which the Offer is extended (the “Expiration Date”). The Offer period may be extended by the Fund issuing a press release or making some other public announcement no later than 9:00 a.m. New York City time on the next business day after the Offer otherwise would have expired. An extension of the Offer by one Fund has no impact on the expiration time of the other Fund’s Offer.

If you hold your ARPS directly, you have until the expiration of the Offer to tender your ARPS in the Offer.

If your ARPS are registered in the name of your broker or other nominee holder, you may need to tender your ARPS in an Offer before 5:00 p.m., New York City time, on November 1, 2022 in order to allow such nominee holder time to tender your ARPS. You should consult your broker or other nominee holder to determine if there is an earlier deadline by which you must inform such nominee holder of any decision to tender your ARPS and provide to such nominee holder any other required materials.

IS THERE A LIMIT ON THE NUMBER OF ARPS I MAY TENDER?

No, the Fund is offering to purchase up to 100% of its outstanding ARPS.

DOES THE FUND HAVE THE FINANCIAL RESOURCES TO MAKE PAYMENT?

Assuming NCV purchases 100% of its outstanding ARPS at 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share), the total funds required, not including fees and expenses incurred in connection with the Offer, will be approximately \$218,697,862.50, plus any unpaid dividends accrued through the Expiration Date (as defined herein). Although the Fund may use cash on hand and may sell securities in the Fund's investment portfolio to pay the purchase price for ARPS tendered, the Fund may also use additional forms of leverage, including through secured bank indebtedness, reverse repurchase agreements, securities loans or the issuance of additional preferred shares, to finance some or all of the costs of its Offer. There are no financing conditions to the Offer. See Section 8 of this Offer to Purchase.

HOW DO I TENDER MY ARPS IN AN OFFER?

To tender ARPS in an Offer, you must deliver the ARPS to Computershare Inc. (the "Depository") not later than the Expiration Date (as defined below). If your ARPS are held in street name by your broker or other nominee holder, such nominee must tender your ARPS through The Depository Trust Company. See Section 3 of this Offer to Purchase, which describes procedures for tendering your ARPS.

WHEN AND HOW WILL I BE PAID FOR MY TENDERED ARPS?

If accepted for payment, the Fund will pay for all validly tendered and not withdrawn ARPS promptly after 5:00 p.m. New York City time, on November 1, 2022, or such later Expiration Date to which the Offer is extended. The Fund will pay for your validly tendered and not withdrawn ARPS in United States dollars by depositing the purchase price with the Depository, which will act as your agent for the purpose of receiving payments from us and transmitting such payments to you. In all cases, payment for tendered ARPS will be made only after timely receipt by the Depository of the ARPS, confirmation of a book-entry transfer of such ARPS, and any other required documents as described in Section 3 of this Offer to Purchase.

HOW DO I WITHDRAW TENDERED ARPS IN AN OFFER?

You can withdraw tendered ARPS at any time until the applicable Offer has expired and, if the Fund has not agreed to accept your ARPS for payment by 5:00 p.m. New York City time on November 1, 2022, you can withdraw them at any time after such time until the Fund accepts ARPS for payment. See Section 4 of this Offer to Purchase.

To withdraw tendered ARPS, you must deliver a written notice of withdrawal (a form of which can be provided upon request from the Information Agent for the Offer), with the required information to the Depository, while you have the right to withdraw the tendered ARPS. If your ARPS are registered in the name of your broker or other nominee holder, contact that nominee holder to withdraw your tendered ARPS. You may need to allow such nominee holder additional time to withdraw your tendered ARPS. You should consult your broker or other nominee holder to determine if there is an earlier deadline by which you must inform such nominee holder of any decision to withdraw your tendered ARPS.

Withdrawals of tenders of ARPS may not be rescinded, and any ARPS validly withdrawn will thereafter be deemed not validly tendered for purposes of an Offer. However, withdrawn ARPS may be retendered by following one of the procedures described in Section 3 of this Offer to Purchase at any time prior to the Expiration Date. See Section 4 of this Offer to Purchase.

WHAT ARE THE TAX CONSEQUENCES OF TENDERING ARPS?

Generally, the receipt of cash in connection with tendering ARPS pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes and may also be a taxable transaction under applicable state, local, foreign and other tax laws. For U.S. federal income tax purposes, the sale of your ARPS for cash generally will be treated either as (1) a sale or exchange of the ARPS, or (2) a distribution with respect to the ARPS that is potentially taxable as a dividend. See Section 6 of this Offer to Purchase.

WHAT IS THE PURPOSE OF THE OFFER?

Since mid-February of 2008, the periodic auctions for auction-rate securities like the ARPS have not attracted sufficient clearing bids for there to be a successful auction. The Fund believes that such auctions are unlikely to be successful in the future. The Fund also believes that secondary market activity is limited outside the auctions for auction-rate securities and therefore the ARPS are generally illiquid. The investment manager for the Fund, Virtus Investment Advisers, Inc. (the "Investment Manager" or "Virtus") and the Fund's current subadviser, Voya Investment Management Co. LLC ("Voya"), regularly examine leverage alternatives for the Fund and present related information to the Fund's Board for the Board's consideration as part of their ongoing investment responsibilities. Similarly, the Fund's previous sub-adviser, Allianz Global Investors U.S. LLC ("AllianzGI" and together with Virtus and Voya, the "Fund Management"), regularly examined leverage alternatives for the Fund and presented related information to the Fund's Board. In the past, Fund Management has consistently advised the Fund's Board that the ARPS remain a permanent source of capital at attractive rates for the Fund under then-current market conditions. This advice has also taken into account its then-current outlook for short-term interest rates, which are the rates on which the ARPS maximum applicable rates are based. These various factors may vary over time and the decision regarding the best form of financing for a fund is a fund-specific decision based on the particular dynamics of the fund's financing profile and other market factors. The Fund conducted a tender offer and refinanced a portion of the ARPS in 2018. In addition to the ARPS, the Fund currently maintains leverage in the form of cumulative preferred shares and the Fund has a revolving credit facility with Bank of New York Mellon. However, Fund Management has since advised against redeeming ARPS of the Fund at their full liquidation preference or pursuant to tender offers that are not at what the investment adviser views to be an adequately discounted price to the ARPS' liquidation preference.

UBS Securities LLC and its affiliates (together, "UBS") is a substantial beneficial holder of the Fund's ARPS. Virtus has engaged in discussions with representatives from UBS regarding the ARPS, including the possibility that the Fund could conduct a tender offer for some or all of the outstanding ARPS at prices below the full liquidation preferences of the ARPS. As part of the ongoing discussions between Virtus and UBS, and based on Virtus's analysis of current market conditions, Virtus's interest rate and market outlook and the costs and terms of leverage alternatives available to the Fund in the marketplace, among other factors, Virtus determined that a tender price at 97.95% of the liquidation preference of NCV's ARPS represents a fair value to the Fund's common shareholders and provides a number of benefits to the Fund and the Fund's shareholders, including, among other things, an economic benefit to common shareholders and liquidity to ARPS Holders.

The Fund and Virtus (the "Fund Parties") have entered into an agreement with UBS pursuant to which the Fund separately agreed to conduct the Offer in accordance with the terms set forth herein and UBS has agreed to tender 100% of their ARPS. See Sections 9 and 11 of this Offer to Purchase for additional information. With UBS's commitment to tender 100% of their ARPS, and taking into account that UBS holds 90.20% of NCV's ARPS, Virtus is of the view that the Offer will be viable and will provide a benefit to the common shareholders at this minimum level of possible participation, taking into account the costs associated with conducting the Offer and other factors.

Following Virtus's recommendation regarding the tender prices, as discussed above, the Board met on June 6, 2022 to consider the Offer and, based on the information provided to the Board and Virtus's analysis, approved the Offer for the Fund.

Please bear in mind that neither the Fund, nor the Board, nor the Investment Manager, nor the Subadviser has made any recommendations as to whether you should tender your ARPS. ARPS Holders are urged to consult their own investment and tax advisors and make their own decisions whether to tender any ARPS and, if so, how many ARPS to tender.

ARE THERE ANY CONDITIONS TO THE OFFER?

The Offer is subject to certain conditions as described in Section 13 of this Offer to Purchase.

IS THE CLOSING OF THE OFFER CONTINGENT ON THE CLOSING OF NCZ'S OFFER?

No. An affiliate of the Fund, Virtus Convertible & Income Fund II ("NCZ") is initiating a similar tender offer for its auction-rate preferred shares at the same time as the Offer. However, the conditions to the Fund's Offer are only applicable to such Offer. The failure by NCZ to close its offer because a condition is not satisfied or waived has no bearing on the Fund's Offer.

IF I DECIDE NOT TO TENDER MY ARPS IN THE OFFER, HOW WILL THE OFFER AFFECT MY ARPS?

If you decide not to tender your ARPS, you will still own the same number of ARPS, and the terms of the ARPS will remain the same. The ARPS are not listed on any securities exchange and there is no well-established secondary market for the ARPS. Since mid-February of 2008, the weekly auctions for the ARPS have not attracted sufficient clearing bids for there to be a successful auction. As a result, holders desiring to sell their ARPS have been, and in the future may be, unable to do so and, even if they can sell their ARPS, may be forced to sell outside of the auction process at a substantial discount to the liquidation preference of the ARPS. If you do not tender your ARPS, the Fund cannot assure you that you will be able to sell your ARPS in the future; you may be forced to hold the ARPS indefinitely or you may have to sell your ARPS at a significant discount to their liquidation preference of \$25,000 per share and potentially at a higher discount than the discount reflected in the current Offer. See Section 8 of this Offer to Purchase.

The Fund may consider in the future, based upon circumstances existing at such time, what action, if any, to take with respect to any ARPS that remain outstanding after its Offer, potentially including one or more additional tender offers or a redemption of such ARPS.

HOW WILL I BE NOTIFIED IF THE OFFER IS EXTENDED?

If the Fund decides to extend its Offer, the Fund will inform the Information Agent and Depositary of that fact and will make an announcement of the extension not later than 9:00 a.m. on the next business day after the day on which the applicable Offer was scheduled to expire. See Section 2 of this Offer to Purchase.

WHO CAN I TALK TO IF I HAVE QUESTIONS ABOUT THE OFFER?

If you own ARPS through a broker or other nominee holder, you can call your broker or other nominee holder. You can also contact Information Agent, at (866) 785-7395, Monday through Friday, 9 a.m. to 5 p.m., Eastern time.

Dear ARPS Holder:

INTRODUCTION

Virtus Convertible & Income Fund (“NCV”), a Massachusetts business trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a closed-end management investment company, hereby offers to purchase up to 100% of the Fund’s outstanding preferred shares of beneficial interest, \$.00001 par value, and liquidation preference of \$25,000 per share, designated Auction Rate Preferred Shares (with respect to the Fund, the “ARPS”) as follows, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the Fund’s related Letter of Transmittal (which together, with respect to the Fund, constitutes the Fund’s “Offer”):

Fund	ARPS
Virtus Convertible & Income Fund (NCV)	Series A Series B Series C Series D Series E

The price to be paid for the ARPS is an amount to the seller, equating to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share) in cash, plus any unpaid dividends accrued through the Expiration Date (as defined herein), less any applicable withholding taxes and without interest (each a “Per Share Amount”). The Offer is subject to the terms and conditions set forth in this Offer to Purchase and in the related Letter of Transmittal.

The Fund’s Offer is open to all holders of ARPS of the Fund (with respect to the Fund, “ARPS Holders”) and are not conditioned upon there being a minimum number of ARPS validly tendered and not withdrawn prior to the expiration of the Fund’s Offer, but is subject to other conditions as outlined in this Offer to Purchase. See Section 13 “Conditions to the Offer” of this Offer to Purchase.

Neither the Fund, its Board, the Investment Manager nor the Subadviser makes any recommendation as to whether you should tender or not tender ARPS in the Offer. No person has been authorized to give any information or to make any representations in connection with the Offer other than those contained in this Offer to Purchase and in the related Letter of Transmittal, and if given or made, such information or representations should not be relied upon as having been authorized by the Fund, its Board or the Investment Manager. We have been advised that no Trustee or executive officer of the Fund intends to tender any ARPS pursuant to the Offer.

You will not be obligated to pay brokerage fees or commissions in order to tender your ARPS. However, if you own ARPS through a broker, dealer, commercial bank, trust company or other nominee (“Nominee Holder”), and your broker or other Nominee Holder tenders your ARPS on your behalf, your broker or other Nominee Holder may charge you a fee for doing so. You should consult your broker or other Nominee Holder to determine whether any charges will apply. The Fund will pay all charges and expenses of Computershare Inc. (the “Depository”) and its affiliate Georgeson LLC (the “Information Agent”) incurred in connection with the Fund’s Offer. See Section 14 “Fees and Expenses.” The receipt of cash for ARPS purchased by the Fund pursuant to the Offer generally will be a taxable transaction for federal income tax purposes, and you will be responsible for any tax liabilities you incur as a result of participating in the Offer. **In addition, if you fail to complete, sign and return to the Depository a Form W-9 (or a substitute form) (or in the case of certain non-U.S. ARPS Holders, an appropriate IRS Form W-8 or substitute form), you may be subject to backup withholding on the gross proceeds payable to you pursuant to the Offer, and certain non-U.S. ARPS Holders may be subject to U.S. federal income tax withholding on gross proceeds payable to them pursuant to the Offer. See Section 6 “Certain Material U.S. Federal Income Tax Consequences.”**

THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION AND YOU SHOULD READ THEM CAREFULLY AND IN THEIR ENTIRETY BEFORE YOU MAKE ANY DECISION WITH RESPECT TO THE OFFER.

If you do not wish to tender your ARPS, you need not take any action.

THE OFFER

1. TERMS OF THE OFFER; EXPIRATION DATE

Upon the terms and subject to the conditions set forth in this Offer, the Fund will accept for payment and pay for up to 100% of its outstanding ARPS, validly tendered prior to 5:00 p.m. New York City time, on November 1, 2022, or such later date to which the Offer is extended (the “Expiration Date”), and not withdrawn as permitted by Section 4 of this Offer to Purchase. The Fund reserves the right to extend its Offer to a later Expiration Date. The Offer period may be extended by the Fund issuing a press release or making some other public announcement no later than 9:00 a.m. New York City time on the next business day after the Offer otherwise would have expired.

If the Fund makes a material change in the terms of its Offer or the information concerning its Offer, or if it waives a material condition of its Offer, the Fund will extend its Offer to the extent required under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). During any such extension, all ARPS previously tendered and not withdrawn will remain subject to the Offer, subject to the right of any such tendering shareholder to withdraw his, her or its shares.

The price to be paid for the ARPS is an amount per share, net to the seller in cash, equal to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share), plus any unpaid dividends accrued through the Expiration Date, less any applicable withholding taxes and without interest. See Section 7 of this Offer to Purchase. Under no circumstances will interest be paid on the offer price for tendered ARPS, regardless of any extension of or amendment to the Offer or any delay in paying for such ARPS.

When considering whether to tender ARPS, you should be aware that the payment received pursuant to the Offer will be less than the liquidation preference of the ARPS. Under the Fund’s Bylaws, holders of the Fund’s ARPS would receive the full liquidation preference of the ARPS in certain limited circumstances — *i.e.*, in the event of the liquidation of the Fund or a mandatory redemption under the terms of the ARPS as a result of the Fund failing to meet certain asset coverage requirements.

The Fund’s Offer is being made to all of the Fund’s ARPS Holders. The Offer is subject to certain conditions as described in Section 13.

Subject to the terms and conditions of its Offer, the Fund will pay the consideration offered or return the tendered securities promptly after the termination or withdrawal of its Offer. The amount of any stock or share transfer taxes imposed in respect of ARPS tendered in connection with the Offer, including, without limitation, such taxes imposed for a reason other than the sale or transfer of ARPS to the Fund pursuant to its Offer, whether such taxes are imposed on the registered holder(s), any other person to whom shares are to be returned or the purchase price is to be paid, or otherwise, including any such taxes due in respect of (a) shares tendered but not purchased, including such shares that are to be returned in the name of a person other than the registered holder(s), or (b) shares the purchase price for which is paid to a person other than the registered holder(s), will be for the ARPS Holder’s account and will not be borne by the Fund. ARPS Holders should consult their own tax advisors concerning the tax consequences of participating in the Offer in light of their particular situations.

As of the date of this Offer, there were 8,931 ARPS outstanding for NCV. As of the date of this Offer, the Trustees and executive officers of the Fund did not beneficially own any ARPS.

2. EXTENSION OF TENDER PERIOD, TERMINATION; AMENDMENT

The Fund expressly reserves the right, in its sole discretion, at any time and from time to time, to extend the period of time during which its Offer is pending by making a public announcement thereof. During any such extension, all ARPS previously tendered and not purchased or withdrawn will remain subject to the applicable Offer. The Fund also reserves the right, at any time and from time to time up to and including the Expiration Date, to amend its Offer in any respect by making a public announcement thereof. Such public announcement will be issued no later than 9:00 a.m. New York City time on the next business day after the previously scheduled Expiration Date. Without limiting the manner in which the Fund may choose to make a public announcement of extension, termination or amendment, except as provided by applicable law, the Fund shall have no obligation to publish, advertise or otherwise communicate any such public announcement.

If the Fund materially changes the terms of its Offer or the information concerning its Offer, or if it waives a material condition of its Offer, the Fund will extend its Offer to the extent required by rules promulgated under the Exchange Act. These rules require that the minimum period during which a tender offer must remain open following material changes in the terms of the offer or information concerning the offer (other than a change in price or a change in percentage of securities sought) will depend on the facts and circumstances, including the relative materiality of such terms or information. If (i) the Fund increases or decreases the price to be paid for ARPS, or the Fund decreases the number of ARPS being sought and (ii) its Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from, and including, the date that notice of such increase or decrease is first published, sent or given, its Offer will be extended at least until the expiration of such period of ten business days.

3. PROCEDURES FOR TENDERING ARPS

To tender ARPS pursuant to an Offer, either (i) you must comply with The Depository Trust Company's Automated Tender Offer Program ("ATOP") procedures in which the Depository must receive delivery of such ARPS pursuant to the procedures for book-entry transfer described below (and a timely confirmation of such delivery into its account at The Depository Trust Company through ATOP along with an Agent's Message (as defined below)) by the Expiration Date, or (ii) the guaranteed delivery procedures described below must be complied with

ARPS Holders whose ARPS are registered in the name of a broker or other Nominee Holder should contact such Nominee Holder if they desire to tender their ARPS. Such ARPS Holders may need to inform their brokers or other Nominee Holders of any decision to tender ARPS, and deliver any required materials, before 5:00 p.m., New York City time, on the Expiration Date. You should consult your broker or other Nominee Holder to determine when you would need to inform such Nominee Holder of any decision to tender ARPS and to deliver any required materials to them in order to tender your ARPS.

Participants in the ATOP program must electronically transmit their acceptance of the exchange by causing The Depository Trust Company to transfer the ARPS to the Depository in accordance with ATOP procedures for transfer. The Depository Trust Company will then send an Agent's Message to the Depository.

Book-Entry Delivery. The Depository will make a request to establish an account with respect to the ARPS at The Depository Trust Company (the "Book-Entry Transfer Facility") for purposes of the Offer promptly after the date of such Offer, and any financial institution that is a participant in the system of the Book-Entry Transfer Facility may make book-entry delivery of ARPS by causing the Book-Entry Transfer Facility to transfer such ARPS into the Depository's account at the Book-Entry Transfer Facility in accordance with the procedures of the Book-Entry Transfer Facility. However, although delivery of ARPS may be effected through book-entry transfer, an Agent's Message (as defined below) and any other required documents must, in any case, be received by the Depository at its address set forth on the back cover of this Offer to Purchase by the Expiration Date, or the guaranteed delivery procedures described below must be complied with. Delivery of any other required documents to the Book-Entry Transfer Facility does not constitute delivery to the Depository. "Agent's Message" means a message, transmitted by the Book-Entry Transfer Facility to, and received by, the Depository and forming a part of a book-entry confirmation which states that (1) the Book-Entry Transfer Facility has received an express acknowledgment from the participant in its ATOP that is tendering the ARPS that are the subject of such book-entry confirmation, (2) the participant has received, and agrees to be bound by, the terms of the Offer and (3) the Fund may enforce such agreement against such participant. Delivery of an Agent's Message will also constitute an acknowledgment from the tendering participant that the representations described in the applicable Offer are true and correct.

Guaranteed Delivery. If you wish to tender ARPS pursuant to the Offer of the Fund and cannot deliver such ARPS and all other required documents to the Depository by the Expiration Date, or cannot complete the procedure for delivery by book-entry transfer on a timely basis, you may nevertheless tender such ARPS if all of the following conditions are met:

(i) for ARPS held in street name, such tender is made by or through an Eligible Institution (a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a participant in the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Guarantee Program, the Stock Exchange Medallion Program or any other "eligible guarantor institution" (as defined in Rule 17Ad-15 under the Exchange Act) (each of the foregoing, an "Eligible Institution");

(ii) a properly completed and duly executed Notice of Guaranteed Delivery in the form provided by the Fund is received by the Depository (as provided below) by the Expiration Date; and

(iii) a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantee or an Agent's Message and any other documents required by the Letter of Transmittal and, for ARPS held in street name, confirmation of a book-entry transfer of such ARPS into the Depository's account at the Book-Entry Transfer Facility, are received by the Depository within two New York Stock Exchange ("NYSE") trading days after the date of execution of the Notice of Guaranteed Delivery.

The Notice of Guaranteed Delivery may be delivered by mail to the Depository and must include a guarantee by an Eligible Institution in the form set forth in such Notice. The method of delivery of ARPS and all other required documents, including through the Book-Entry Transfer Facility, is at your option and risk and the delivery will be deemed made only when actually received by the Depository. Registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

U.S. Federal Tax Withholding. Under U.S. federal income tax law, the gross proceeds otherwise payable to an individual for certain non-corporate ARPS pursuant to an Offer may be subject to backup withholding unless the ARPS Holder provides the information described in Section 6 of this Offer to Purchase. In addition, under certain circumstances, a withholding rate of 30% (or a lower applicable treaty rate) may be applied to the gross payments payable to a Non-U.S. ARPS Holder, as described in Section 6 of this Offer to Purchase.

Determination of Validity; Rejection of Shares; Waiver of Defects; No Obligation to Give Notice of Defects. The Fund will determine, in its sole discretion, all questions as to the number of ARPS to be accepted, and the validity, form, eligibility, including time of receipt, and acceptance for payment of any tender of ARPS. The Fund's determination will be final and binding on all parties. The Fund reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance of or payment for which it determines may be unlawful. The Fund also reserves the absolute right to waive any of the conditions of its Offer and any defect or irregularity in the tender of any particular ARPS or any particular ARPS Holder. No tender of ARPS of the Fund will be deemed to be properly made until all defects or irregularities have been cured by the tendering ARPS Holder or waived by the Fund. Neither the Fund, the Information Agent, the Depository, or any other person will be under any duty to give notice of any defects or irregularities in any tender, or incur any liability for failure to give any such notice. The Fund's interpretation of the terms of and conditions to its Offer, including the Letter of Transmittal and the instructions thereto, will be final and binding. By tendering ARPS to the Fund, you agree to accept all decisions that the Fund makes concerning these matters and waive any right you might otherwise have to challenge those decisions.

Your Representation and Warranty; Our Acceptance Constitutes an Agreement. A tender of ARPS of the Fund under any of the procedures described above will constitute your acceptance of the terms and conditions of the Fund's Offer, as well as your representation and warranty to the Fund that:

- you have the full power and authority to tender, sell, assign and transfer the ARPS tendered, as specified in the Letter of Transmittal or otherwise.

The Fund's acceptance for payment of ARPS tendered under the Fund's Offer will constitute a binding agreement between you and the Fund with respect to such ARPS, upon the terms and conditions of its Offer described in this and related documents.

By making the book-entry transfer of ARPS as described above, subject to, and effective upon, acceptance for payment of the ARPS tendered in accordance with the terms and subject to the conditions of the Fund's Offer, in consideration of the acceptance for payment of such ARPS in accordance with the terms of the Offer, the tendering ARPS Holder shall be deemed to sell, assign and transfer to, or upon the order of, the Fund all right, title and interest in and to all the ARPS that are being tendered and that are being accepted for purchase pursuant to the Offer (and any and all dividends, distributions, other shares or other securities or rights declared or issuable in respect of such ARPS after the Expiration Date) and irrevocably constitute and appoint the Fund the true and lawful agent and attorney-in-fact of the undersigned with respect to such ARPS (and any such dividends, distributions, other shares or securities or rights), with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) transfer ownership of such ARPS (and any such other dividends, distributions, other shares or securities or rights), together with all accompanying evidences of transfer and authenticity to or upon the order of the Fund, upon receipt by the Depository, as the agent of the tendering ARPS Holder, of the purchase price; (b) present such ARPS (and any such other dividends, distributions, other shares or securities or rights) for transfer on the books of the Fund; and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such ARPS (and any such other dividends, distributions, other shares or securities or rights), all in accordance with the terms of the Offer. Upon such acceptance for payment, all prior powers of attorney given by the tendering ARPS Holder with respect to such ARPS (and any such other dividends, distributions, other shares or securities or rights) will, without further action, be revoked and no subsequent powers of attorney may be given by the tendering ARPS Holder (and, if given, will not be effective).

By making the book-entry transfer of ARPS as described above, and in accordance with the terms and conditions of the Fund's Offer, the tendering ARPS Holder also shall be deemed to represent and warrant that: (a) the tendering ARPS Holder has full power and authority to tender, sell, assign and transfer the tendered ARPS (and any such other dividends, distributions, other shares or securities or rights declared or issuable in respect of such ARPS after the Expiration Date); (b) when and to the extent the Fund accepts the ARPS for purchase, the Fund will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges, proxies, encumbrances or other obligations relating to their sale or transfer, and not subject to any adverse claim; (c) on request, the tendering ARPS Holder will execute and deliver any additional documents deemed by the Depository or the Fund to be necessary or desirable to complete the sale, assignment and transfer of the tendered ARPS (and any such other dividends, distributions, other shares or securities or rights declared or issuable in respect of such ARPS after the Expiration Date); and (d) the tendering ARPS Holder has read the Offer Documents and agreed to all of the terms of the Fund's Offer.

4. WITHDRAWAL RIGHTS

ARPS tendered pursuant to the Fund's Offer may be withdrawn pursuant to the procedures set forth below at any time prior to the Expiration Date, and unless already accepted for payment pursuant to the Offer, at any time after 5:00 p.m., New York City time on the Expiration Date. If your ARPS are registered in the name of your broker or other Nominee Holder, you may need to allow such Nominee Holder additional time to withdraw your tendered ARPS. You should consult your broker or other Nominee Holder to determine if there is an earlier deadline by which you must inform such Nominee Holder of any decision to withdraw your tendered ARPS. After the Expiration Date, ARPS may not be withdrawn except as otherwise provided in this section.

For a withdrawal to be effective, a written notice of withdrawal must be timely received by the Depository at its address set forth on the back cover of the Fund's Offer and must specify the name of the person having tendered the ARPS to be withdrawn, the number of ARPS to be withdrawn and the name of the registered holder of the ARPS to be withdrawn, if different from the name of the person who tendered the ARPS. If the ARPS to be withdrawn have been delivered to the Depository, a signed notice of withdrawal with (except in the case of ARPS tendered by an Eligible Institution) signatures guaranteed by an Eligible Institution must be submitted prior to the release of such ARPS. In addition, such notice must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn ARPS. Withdrawals may not be rescinded, and any ARPS validly withdrawn will thereafter be deemed not validly tendered for purposes of an Offer. However, withdrawn ARPS may be retendered by again following one of the procedures described in Section 3 of this Offer to Purchase at any time prior to the Expiration Date. If you have a tendered ARPS held in street name by your broker or other nominee holder, you must withdraw such tendered ARPS through The Depository Trust Company.

All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Fund in its sole discretion, which determination will be final and binding. Neither the Fund, the Information Agent, the Depository, or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

The method of delivery of any documents related to a withdrawal is at the risk of the withdrawing ARPS Holder. Any documents related to a withdrawal will be deemed delivered only when actually received by the Depository. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

5. ACCEPTANCE FOR PAYMENT AND PAYMENT

Upon the terms and subject to the conditions of its Offer, the Fund will accept for payment, and will pay cash for, ARPS validly tendered on or before the Expiration Date, and not properly withdrawn in accordance with Section 4 of this Offer to Purchase, promptly after the Expiration Date of the Fund's Offer. The Fund expressly reserves the right, in its sole discretion, to delay the acceptance for payment of, or payment for, ARPS, in order to comply, in whole or in part with any applicable law.

For purposes of its Offer, the Fund will be deemed to have accepted for payment ARPS validly tendered and not withdrawn as, if and when it gives or causes to be given oral or written notice to the Depository of its acceptance for payment such ARPS pursuant to the Offer. Payment for ARPS accepted for payment pursuant to the Fund's Offer will be made by deposit of the aggregate purchase price therefore with the Depository, which will act as agent for the tendering ARPS Holders for purpose of receiving payments from the Fund and transmitting such payments to the tendering ARPS Holders. In all cases, payment for ARPS accepted for payment pursuant to an Offer will be made only after timely receipt by the Depository of a confirmation of a book-entry transfer of such ARPS into the Depository's account at the Book-Entry Transfer Facility, a properly completed Agent's Message and any other required documents. For a description of the procedure for tendering ARPS pursuant to an Offer, see Section 3 of this Offer to Purchase. Under no circumstances will interest on the purchase price for ARPS be paid, regardless of any delay in making such payment. Although the Fund does not have any current intention to do so, if the Fund increases the consideration to be paid for ARPS pursuant to its Offer, the Fund will pay such increased consideration for all ARPS purchased pursuant to its Offer.

If any tendered ARPS are not accepted for payment pursuant to the terms and conditions of the Fund's Offer for any reason, or are not accepted because of an invalid tender, such unpurchased or untendered ARPS will be returned via credit to an account maintained at the Book-Entry Transfer Facility (as defined below), without expense to you, or to other persons at your discretion, as promptly as practicable following the expiration or termination of that Offer.

The purchase price of the ARPS will equal 97.95% of the liquidation preference of \$25,000 per share net to the seller in cash (or \$24,487.50 per share), plus any unpaid dividends accrued through the Expiration Date, less any applicable withholding taxes and without interest. If you own ARPS through a broker or other Nominee Holder, and your broker or other Nominee Holder tenders your ARPS on your behalf, your broker or other Nominee Holder may charge you a fee for doing so. You should consult your broker or other Nominee Holder to determine whether any charges will apply.

6. CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following summary of certain U.S. federal income tax consequences of the sale of ARPS pursuant to an Offer by the Fund is for general information purposes only. Unless otherwise noted, this discussion deals only with shares held as capital assets and does not deal with special situations or particular types of ARPS Holders subject to special treatment under U.S. federal income tax laws (including financial institutions, dealers in securities or commodities, regulated investment companies, traders in securities that elect to mark their holdings to market, insurance companies, ARPS Holders subject to the federal alternative minimum tax, or ARPS Holders whose functional currency is not the U.S. dollar). This discussion is not tax advice and does not address all aspects of taxation (including other federal (non-income) taxes, state, local, or foreign taxes, estate taxes, or the Medicare tax on investment income) that may be relevant to particular ARPS Holders in light of their own investment or tax circumstances. Furthermore, this discussion assumes that no ARPS Holder actually or, pursuant to certain constructive ownership rules in Section 318 of the Internal Revenue Code of 1986, as amended (the "Code"), constructively holds common shares or other shares of beneficial interest in the Fund. An ARPS Holder who actually or constructively holds common shares or other shares of beneficial interest in the Fund may have different tax considerations and consequences from those described below and should consult its tax advisor about the special tax considerations and consequences that may apply or arise.

The discussion below is based upon the provisions of the Code and regulations, rulings and judicial decisions thereunder as of the date hereof, and such authorities may be repealed, revoked or modified, possibly on a retroactive basis, so as to result in U.S. federal income tax consequences different from those discussed below.

ARPS Holders should consult their own tax advisors concerning the U.S. federal income tax consequences of participating in the Offer in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

As used herein, a "U.S. ARPS Holder" means an ARPS Holder that is (i) a citizen or resident of the U.S., (ii) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes), partnership or other entity created or organized in or under the laws of the U.S., any State or any political subdivision thereof, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of the source of the income, or (iv) a trust if it (x) is subject to the supervision of a court within the U.S. and one or more U.S. persons has the authority to control all substantial decisions of the trust or (y) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person. A "Non-U.S. ARPS Holder" is an ARPS Holder that is not a U.S. ARPS Holder.

A sale of ARPS of the Fund for cash in an Offer generally will be a taxable transaction for U.S. federal income tax purposes. Depending on an ARPS Holder's particular circumstances, the sale of ARPS pursuant to the Fund's Offer generally will be treated either (i) as a "sale or exchange" producing gain or loss or (ii) as the receipt of a distribution from the Fund that is potentially taxable to the ARPS Holder as a dividend. For the avoidance of doubt, any taxes imposed on or in respect of an ARPS Holder in connection with its sale of ARPS pursuant to the Fund's Offer, including any applicable share transfer taxes, as discussed in Section 1 above, and any applicable withholding taxes, as discussed below, will be for the ARPS Holder's account and will not be borne by the Fund.

Under Section 302(b) of the Code, a sale of ARPS of the Fund pursuant to an Offer generally will be treated as a sale or exchange of those ARPS if the receipt of cash by the shareholder: (a) results in a complete termination of the ARPS Holder's interest in the Fund, (b) results in a "substantially disproportionate" redemption with respect to the ARPS Holder based on certain numerical safe harbors with respect to percentage voting interest and reduction in ownership of the Fund following the completion of the Offer, or (c) is "not essentially equivalent to a dividend" with respect to the ARPS Holder. Generally, for this purpose, a redemption is "not essentially equivalent to a dividend" if it results in a "meaningful reduction" of an ARPS Holder's percentage interest in the Fund. Whether a reduction is "meaningful" depends on an ARPS Holder's particular facts and circumstances; in general, the smaller an ARPS Holder's percentage interest in the Fund, the more likely that any reduction therein will be treated as "meaningful."

In determining whether any of these tests has been met, ARPS of the Fund actually owned, as well as ARPS of the Fund considered to be owned by the ARPS Holder by reason of certain constructive ownership rules set forth in Section 318 of the Code, generally must be taken into account. Further, contemporaneous dispositions or acquisitions of the Fund's stock by an ARPS Holder or a related party may be deemed to be part of a single integrated transaction for purposes of determining whether any of the three tests have been satisfied. ARPS Holders participating in an Offer should consult with their tax advisors regarding the applicability of one or more of these tests to their particular situations.

If any of these three tests for sale or exchange treatment under Section 302(b) is met, an ARPS Holder will recognize gain or loss equal to the difference between (i) the price paid by the Fund for the ARPS purchased in its Offer, minus any amounts treated as a dividend, as explained below, and (ii) the ARPS Holder's adjusted basis in such ARPS. If the ARPS Holder holds such ARPS as a capital asset, the gain or loss will be capital gain or loss, which generally will be treated as long-term capital gain if the ARPS Holder has owned such ARPS (or is deemed to have owned such ARPS) for more than one year, and otherwise as short-term capital gain or loss. The deductibility of capital losses is subject to certain limitations.

To the extent that an ARPS Holder receives, as part of its gross proceeds on the tender of its ARPS of the Fund, accrued and unpaid dividends, the portion of the gross proceeds representing such dividend amounts generally will be treated as either ordinary income dividends, or capital gain dividends in the hands of the ARPS Holder, as reported by the Fund, to the extent such dividends have been previously declared by the Fund. The tax treatment of each such type of dividend for ARPS Holders is explained in the next paragraph.

If, in the case of an ARPS Holder's sale of ARPS pursuant to the Fund's Offer, the requirements of Section 302(b) of the Code for sale or exchange treatment are not met, amounts received by an ARPS Holder in exchange for its ARPS pursuant to the Offer will be taxable to the ARPS Holder as a dividend to the extent of such ARPS Holder's allocable share of the Fund's current and/or accumulated earnings and profits. In this case, an ARPS Holder will not be permitted to recognize any loss in connection with its sale of its ARPS pursuant to the Offer. Any such dividend will constitute either an ordinary income dividend or capital gain dividend. An ordinary income dividend is generally taxable at ordinary income tax rates, and a dividend properly reported as a capital gain dividend is generally taxable at long-term capital gain rates. No portion of any amount an ARPS Holder receives from the Fund in connection with its Offer that is treated as an ordinary income dividend is expected to qualify for the corporate dividends-received deduction (for corporate ARPS Holders) or as "qualified dividend income" (for certain non-corporate ARPS Holders). To the extent that amounts received in connection with the Fund's Offer exceed an ARPS Holder's allocable share of the Fund's current and accumulated earnings and profits for a taxable year, those excess amounts will first be treated as a non-taxable return of capital, causing a reduction in the adjusted basis of such ARPS Holder's ARPS, thus reducing any loss or increasing any gain on a subsequent taxable disposition by the ARPS Holder of its ARPS, and any amounts in excess of the ARPS Holder's adjusted basis in its ARPS will constitute taxable gain. Any remaining adjusted basis in the ARPS tendered to the Fund (after reduction by the non-taxable return of capital amount) will be transferred to any remaining ARPS of the Fund held by such ARPS Holder following the Fund's Offer. In addition, in the case of a corporate ARPS Holder, if the requirements of Section 302(b) of the Code are not met and the ARPS Holder is treated as receiving a dividend from the Fund, in certain cases the dividend could constitute an "extraordinary dividend" under Section 1059 of the Code, potentially resulting in special basis adjustments for any remaining ARPS of the Fund held by such ARPS Holder following the Fund's Offer and the recognition of gain. Corporate ARPS Holders should consult their tax advisors for the possible applicability of this special rule to them.

In the event that a tendering ARPS Holder is deemed to receive a dividend as a result of tendering its ARPS of the Fund, it is possible that shareholders of the Fund whose percentage ownership of the Fund increases as a result of the tender will be deemed to receive a constructive distribution from the Fund, whether or not such shareholders tender ARPS in connection with the Fund's Offer. Any such constructive distribution as described above, whether an ordinary income dividend or capital gain dividend, as applicable, will be treated as a dividend to the extent of the Fund's current or accumulated earnings and profits. Such treatment will not apply, however, if the purchase is treated as an "isolated redemption" within the meaning of the Treasury regulations.

Backup Federal Income Tax Withholding. Backup withholding tax may be imposed on the gross proceeds paid to a tendering ARPS Holder unless the ARPS Holder provides to the applicable withholding agent, generally on an IRS Form W-9 or substitute form, its taxpayer identification number (employer identification number or social security number), certifies as to no loss of exemption from backup withholding, complies with applicable requirements of the backup withholding rules or is otherwise exempt from backup withholding. In order for a Non-U.S. ARPS Holder to qualify as an exempt recipient not subject to backup withholding, such Non-U.S. ARPS Holder must certify its non-U.S. status to the applicable withholding agent, generally on an applicable IRS Form W-8 or substitute form. Backup withholding is not an additional federal income tax. Any amounts withheld may be credited against the ARPS Holder's U.S. federal income tax liability. If withholding results in an overpayment of taxes, a refund may be obtained provided that the required information is furnished to the Internal Revenue Service. Tendering ARPS Holders are urged to consult their own tax advisors and the applicable withholding agent, such as their broker or other Nominee Holder about the requirements.

Non-U.S. ARPS Holders. In certain circumstances, a U.S. federal income tax equal to 30% (or a lower applicable treaty rate) may be withheld from the gross payments payable to a Non-U.S. ARPS Holder or his or her agent. In order to obtain an applicable reduced rate of withholding pursuant to a tax treaty, in general, a Non-U.S. ARPS Holder generally must deliver to the applicable withholding agent before the payment a properly completed and executed IRS Form W-8BEN, IRS Form W-8BEN-E or substitute form. In order to obtain an exemption from withholding on the grounds that the gross proceeds paid pursuant to the Offer are effectively connected with the conduct of a trade or business within the U.S., a Non-U.S. ARPS Holder must deliver to the applicable withholding agent a properly completed and executed IRS Form W-8ECI or substitute form. If this withholding tax is applied, but no or fewer income taxes are due (e.g., because the gross proceeds constitute "sale or exchange" proceeds under Section 302(b), as described above) a Non-U.S. Shareholder may be eligible to obtain a refund of all or a portion of any tax withheld. Backup withholding generally will not apply to amounts subject to the 30% or a treaty-reduced rate of withholding. Non-U.S. ARPS Holders are urged to consult their own tax advisors and the applicable withholding agent, such as their broker or other Nominee Holder, regarding the application of U.S. federal income tax withholding, including eligibility for a withholding tax reduction or exemption, and the refund procedure, if applicable.

FATCA Withholding. Sections 1471-1474 of the Code and the U.S. Treasury and IRS guidance issued thereunder (collectively, "FATCA") generally require the Fund to obtain information sufficient to identify the status of each of its shareholders under FATCA or under an applicable intergovernmental agreement (an "IGA") between the United States and a foreign government. If an ARPS Holder fails to provide the requested information or otherwise fails to comply with FATCA or an IGA, the Fund may be required to withhold under FATCA with respect to that ARPS Holder at a rate of 30% on ordinary dividends it pays (or is deemed to pay) to that ARPS Holder. The IRS and the Department of Treasury have issued proposed regulations providing that gross proceeds the Fund pays for a share repurchase treated as a sale or exchange will not be subject to FATCA withholding. If a payment by the Fund is subject to FATCA withholding, the Fund is required to withhold without reference to any other withholding exemption.

As the Fund may not be able to determine whether a payment made pursuant to the Offer will properly be characterized as an "exchange" or a "dividend" for U.S. tax purposes at the time of such payment, any payment to a tendering stockholder that is a foreign financial institution ("FFI") or non-financial foreign entity ("NFFE") may be subject to a 30% withholding tax unless (a) in the case of an FFI, the FFI reports certain direct and indirect ownership of foreign financial accounts held by U.S. persons with the FFI and (b) in the case of an NFFE, the NFFE (i) reports information relating to its "substantial U.S. owners" (within the meaning of FATCA), if any, or (ii) certifies that it has no "substantial U.S. owners."

Certain Non-U.S. ARPS Holders may fall into certain exempt, excepted or deemed-compliant categories as established by U.S. Treasury regulations, IGAs, and other guidance regarding FATCA. In order to qualify for any such exception, a Non-U.S. ARPS Holder generally must provide the Fund with the applicable IRS Form W-8 (W-8BEN-E, W-8ECI, W-8EXP or W-8IMY) properly certifying the ARPS Holder's status under FATCA.

ARPS Holders are urged to consult their own tax advisors regarding the application of U.S. federal income tax withholding, including eligibility for a withholding tax reduction or exemption, and the applicable refund procedure, if any.

7. PRICE RANGE OF ARPS; DIVIDENDS

The ARPS are not listed and do not trade on any securities exchange. Although the ARPS may be purchased and sold through privately-negotiated transactions, no well-established secondary market for the ARPS exists today and no public trading market for the ARPS has been established outside the auction process. Accordingly, no reliable price history is available. In addition, since mid-February of 2008, the weekly auctions for the ARPS have failed.

The terms of the Offer provide that ARPS Holders tendering ARPS are entitled to receive all dividends accrued on the ARPS on or before the Expiration Date, but not yet paid. Prior to the Expiration Date, dividends will be paid on the regularly scheduled dividend payment dates for the ARPS. The amount and frequency of dividends in the future will be set at auction according to the terms of the ARPS or, if an auction fails, at the maximum rate described below or as otherwise provided pursuant to the terms of the ARPS.

8. SOURCE AND AMOUNT OF FUNDS; EFFECT OF THE OFFER

If 100% of the outstanding ARPS are purchased pursuant to the Fund's Offer, the total funds required, not including fees and expenses incurred in connection with the Offer, will be approximately \$159,193,238, plus any unpaid dividends accrued through the Expiration Date.

Although the Fund may use cash on hand and may sell securities in the Fund's investment portfolio to pay the purchase price for ARPS tendered, the Fund may also use additional forms of leverage, including through secured bank indebtedness, reverse repurchase agreements, securities loans or the issuance of additional preferred shares, to finance the costs of its Offer. Currently, the Fund has outstanding cumulative preferred shares and maintains a revolving credit facility with Bank of New York Mellon. There are no financing conditions to the Offer.

Purchase Price in the Offer is Less than Liquidation Preference. The Per Share Amount reflects a discount to the liquidation preference of \$25,000 per share of ARPS. Under the Fund's Bylaws, holders of the Fund's ARPS would receive the full liquidation preference of the ARPS in certain limited circumstances — *i.e.*, in the event of the liquidation of the Fund or a mandatory redemption under the terms of the ARPS as a result of the Fund failing to meet certain asset coverage requirements. The Fund may consider in the future, based upon circumstances existing at such time, what action, if any, to take with respect to any ARPS that remain outstanding after its Offer, potentially including one or more additional tender offers or a redemption of such ARPS.

Effect on Net Asset Value of Common Shares. ARPS Holders should note that the Offer is expected to result in accretion to the net asset value of the common shares of beneficial interest of the Fund ("Common Shares") following its Offer, due to the fact that the tender price would represent 97.95% of the liquidation preference of the ARPS. The price to be paid in the Offer represents a discount to the liquidation preference of \$25,000 for each ARPS share, which is the amount an ARPS Holder would receive, after payment of the Fund's liabilities, in the event of a liquidation, dissolution, or winding up of the Fund (to the extent assets are available).

The Fund is required by law to pay for tendered ARPS it accepts for payment promptly after the Expiration Date of its Offer. Because the Fund will not know the number of ARPS tendered until the Expiration Date, the Fund will not know until the Expiration Date the amount of cash required to pay for such ARPS. If on, or prior to, the Expiration Date the Fund does not have, or believes it is unlikely to have, sufficient cash to pay for all ARPS tendered, it may extend its Offer to allow additional time to raise sufficient cash.

Lack of Market for ARPS. The actual number of ARPS outstanding subsequent to completion of an Offer will depend on the number of ARPS tendered and purchased in the Offer. Any ARPS not tendered pursuant to an Offer will remain issued and outstanding until repurchased or redeemed by the Fund. As noted above, under the Fund's Bylaws, holders of the Fund's ARPS would receive the full liquidation preference of the ARPS in certain limited circumstances— *i.e.*, in the event of the liquidation of the Fund or a mandatory redemption under the terms of the ARPS as a result of the Fund failing to meet certain asset coverage requirements. As described below, there have not been sufficient clearing bids in auctions since mid-February of 2008 to effect transfers of the ARPS and there can be no assurance that there will be future liquidity for the ARPS. Virtus and the Fund's current subadviser, Voya Investment Management Co. LLC ("Voya") regularly examine leverage alternatives for the Fund and present related information to the Fund's Board for the Board's consideration as part of their ongoing investment responsibilities. In examining such alternatives, Virtus and Voya consider their economic and interest rate outlook, the rollover and refinancing risks inherent in alternative forms of leverage as a result of the non-permanent terms of such alternative forms of leverage, coupled with increased bank regulation, the costs, terms, asset coverage requirements and covenants, as applicable, associated with the leverage alternatives available in the marketplace and the viability of conducting a tender offer at an adequately discounted price. In considering any recommendation by Virtus and Voya and making any decision as to whether to effect a redemption of any of the Fund's ARPS remaining outstanding following the consummation of its Offer, the Fund will take into account what is in the best interests of the Fund's shareholders and the particular facts and circumstances that may then exist, which may include some or all of the factors noted in the immediately preceding sentence and any other factors as the Fund deems relevant.

The ARPS the Fund acquires pursuant to its Offer will be canceled and returned to the status of authorized but unissued shares and will be available for the Fund to issue without further action by the shareholders of the Fund (except as required by applicable law or the rules of the NYSE or any other securities exchanges on which the common shares may then be listed) for purposes including, without limitation, the raising of additional capital for use in the Fund's business.

Tax Consequences of Purchase to ARPS Holders. The Fund's purchase of tendered ARPS pursuant to its Offer will have tax consequences for tendering ARPS Holders and may have tax consequences for non-tendering ARPS Holders. See Section 6 "Certain Material U.S. Federal Income Tax Consequences" of the Offer to Purchase.

9. PURPOSE OF THE OFFER

The Fund issued the ARPS for purposes of adding leverage to its portfolio for investment purposes. Through the use of leverage, the Fund, similar to other closed-end funds, seeks to enhance the distributions and investment return available over time to the common shareholders by earning a rate of portfolio return (which includes the return related to investment made with the proceeds from leverage) that exceeds the leverage cost, typically over the long term.

Under market conditions as they existed prior to mid-February of 2008, distribution rates on the ARPS for each weekly rate period generally were set at the market clearing rate determined through an auction process maintained and administered by unaffiliated broker-dealers that brought together bidders, who sought to buy ARPS, and holders of ARPS, who sought to sell their ARPS. Since mid-February 2008, holders of the ARPS have been directly impacted by lack of liquidity, which has similarly affected holders of similar auction rate preferred securities issued by many of the nation's closed-end funds. Since then, regularly scheduled auctions for the ARPS have consistently "failed" because of insufficient demand (bids to buy shares) to meet the supply (shares offered for sale) at each auction. In a failed auction, ARPS Holders cannot sell all, and may not be able to sell any, of their ARPS tendered for sale. While repeated auction failures have affected the liquidity for the ARPS, the failure of the auctions does not constitute a default or automatically alter the credit quality of the ARPS, and ARPS Holders have continued to receive dividends at the defined "maximum rate", which is currently calculated as the applicable Federal Reserve 7-day "AA" Financial Composite Commercial Paper Rate (based on a dividend period of fewer than 184 days) multiplied by a minimum of 200% (such maximum rate is a function of short-term interest rates and typically higher than the rate that would have otherwise been set through a successful auction).

As discussed above, since mid-February of 2008, the periodic auctions for auction-rate securities like the ARPS have not attracted sufficient clearing bids for there to be a successful auction. The Fund believe that such auctions are unlikely to be successful in the future. The Fund also believe that secondary market activity is limited outside the auctions for auction-rate securities and therefore the ARPS are generally illiquid. Virtus and Voya regularly examine leverage alternatives for the Fund and present related information to the Fund's Board for the Board's consideration as part of their ongoing investment responsibilities. Similarly, the Fund's previous sub-adviser, Allianz Global Investors U.S. LLC ("AllianzGI" and together with Virtus and Voya, the "Fund Management"), regularly examined leverage alternatives for the Fund and presented related information to the Fund's Board. In the past, Fund Management has consistently advised the Fund's Board that the ARPS remain a permanent source of capital at attractive rates for the Fund under then-current market conditions. This advice has also taken into account its then-current outlook for short-term interest rates, which are the rates on which the ARPS maximum applicable rates are based. These various factors may vary over time and the decision regarding the best form of financing for a fund is a fund-specific decision based on the particular dynamics of the fund's financing profile and other market factors. The Fund conducted a tender offer and refinanced a portion of the ARPS in 2018. However, Fund Management has since advised against redeeming ARPS of the Fund at their full liquidation preference or pursuant to tender offers that are not at what the investment adviser views to be an adequately discounted price to the ARPS' liquidation preference.

UBS Securities LLC and its affiliates (together, "UBS") is a substantial beneficial holders of the Fund's ARPS. Virtus has engaged in discussions with representatives from UBS regarding the ARPS, including the possibility that the Fund could conduct tender offers for some or all of the outstanding ARPS at prices below the full liquidation preferences of the ARPS. As part of the discussions between Virtus and UBS, and based on Virtus's and Voya's analysis of current market conditions, Virtus's interest rate and market outlook and the costs and terms of leverage alternatives available to the Fund in the marketplace, among other factors, Virtus and Voya determined that a tender price at 97.95% of the liquidation preference of NCV's ARPS represents a fair value to the Fund's common shareholders and provides a number of benefits to the Fund and the Fund's shareholders, including, among other things, an economic benefit to common shareholders and liquidity to ARPS Holders.

The Fund and Virtus (the "Fund Parties") have entered into an agreement (the "Agreement") with UBS pursuant to which the Fund separately agreed to conduct the Offer in accordance with the terms set forth herein and UBS agreed to tender 100% of their ARPS. See Section 11 of this Offer to Purchase for additional information. With UBS's commitment to tender 100% of their ARPS, and taking into account that UBS holds 90.20% of NCV's ARPS, Virtus is of the view that the Offer will be viable and will provide a benefit to the common shareholders at this minimum level of possible participation, taking into account the costs associated with conducting the Offer and other factors.

Following Virtus's recommendation regarding the tender price, as discussed above, the Board met on June 6, 2022 to consider the Offer and, based on the information provided to the Board and Virtus's analysis, approved the Fund's Offer.

Please bear in mind that neither the Fund, nor the Fund's Board, nor the Investment Manager, nor the Subadviser has made any recommendations as to whether you should tender your ARPS. ARPS Holders are urged to consult their own investment and tax advisors and make their own decisions whether to tender any ARPS and, if so, how many ARPS to tender.

10. INFORMATION CONCERNING THE FUND

The Fund is a closed-end management investment company organized as a Massachusetts business trust, whose principal executive offices are located at 101 Munson Street, Greenfield, MA 01301 telephone: (866)270-7788.

Available Information about the Fund. The Fund is subject to the informational requirements of the 1940 Act, and in accordance therewith files annual reports, proxy statement and other information with the Securities and Exchange Commission (“SEC”) relating to its business, financial condition and other matters. The Fund is required to disclose in such proxy statements certain information, as of particular dates, concerning the Fund’s Trustees and executive officers, their remuneration, the principal holders of the Fund’s securities and any material interest of such persons in transactions with the Fund. The Fund has also filed an Issuer Tender Offer Statement on Schedule TO with the SEC. Such reports and other information may be inspected at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. Copies may be obtained, by mail, upon payment of the SEC’s customary charges, by writing to its principal office at 100 F. Street, N.E., Washington, D.C. 20549. Such reports and other information are also available on the SEC’s web site (<http://www.sec.gov>).

Agreements Involving the Fund. Virtus acts as the investment manager for the Fund pursuant to an investment management agreement. Voya acts as the subadviser for the Fund pursuant to a subadvisory agreement that became effective September 28, 2022. Immediately prior to the implementation of Voya’s current subadvisory agreement, Voya acted as subadviser for the Fund pursuant to an interim subadvisory agreement that was put in place after the previous subadviser, AllianzGI US, settled certain government charges about matters unrelated to the Fund with U.S. Securities and Exchange Commission and Department of Justice. On July 25, 2022, AllianzGI US transferred the investment teams who manage the Fund to Voya pursuant to an agreement with Voya Financial, Inc., at which time the interim subadvisory agreement was established in order to allow the investment teams that managed the Fund as representatives of AllianzGI US to continue to manage the Fund as representatives of Voya. Fund shareholders subsequently approved the current subadvisory agreement, which superseded the interim agreement effective September 28, 2022.

The Fund also is a party to certain other service agreements. Computershare Trust Company N.A. (“Computershare”) serves as the Fund’s transfer agent, registrar and dividend disbursing agent and shareholder servicing agent for the Fund’s common shares. Computershare also serves as the Fund’s Depository for the Offer and its affiliate serves as Information Agent for the Offer. The Bank of New York Mellon serves as the custodian for the Fund.

11. INTEREST OF THE TRUSTEES AND EXECUTIVE OFFICERS; TRANSACTIONS AND ARRANGEMENTS

The business address of the Trustees and executive officers of the Fund is One Financial Plaza, Hartford, CT 06103. As of the date of this Offer to Purchase, the Trustees and executive officers of the Fund did not beneficially own any ARPS.

Based on the Fund’s records and upon information provided to the Fund by its Trustees and executive officers, neither of the Fund, nor, to the best of the Fund’s knowledge, any of the Trustees or executive officers of the Fund, have effected any transactions in the ARPS during the sixty-day period prior to the date hereof.

To the best of the Fund’s knowledge, none of the Fund’s executive officers, Trustees, or affiliates currently intends to tender ARPS held of record or beneficially by such person, if any, for purchase pursuant to the Fund’s Offer.

Except as set forth in this Offer to Purchase (including the Agreement, as discussed below and in Section 9), to the best of the Fund’s knowledge, the Fund knows of no agreement, arrangement or understanding, contingent or otherwise or whether or not legally enforceable, between (a) the Fund, any of the Fund’s executive officers or Trustees, any person controlling the Fund or any executive officer, trustee or director of any corporation or other person ultimately in control of the Fund and (b) any person with respect to any securities issued by the Fund (including, but not limited to, any agreement, arrangement or understanding concerning the transfer or the voting of any such securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss, or the giving or withholding of proxies, consents or authorizations).

On September 19, 2022, the Fund Parties entered into the Agreement with UBS. Pursuant to the Agreement, the Fund Parties agreed to conduct the Offer, subject to the approval of the Fund’s Board (which has been obtained), and, pursuant to the Agreement, UBS agreed, with respect to the Fund, that if an Offer is conducted by the Fund, UBS shall tender one-hundred percent (100%) of its holdings in ARPS of the Fund, such that UBS would have no holdings in the Fund’s ARPS following completion of the Fund’s Offer.

Additionally, pursuant to the Agreement, the Fund Parties and UBS each agreed with respect to the other parties to (i) fully release and forever discharge such other parties of and from any and all claims, demands, debts, liens, obligations, fees and expenses, harm, injuries, liabilities, cause or causes of action, whether known or unknown, claimed or alleged, asserted or unasserted, either at law or in equity, whether statutory, in contract or in tort, of any kind or character which it has, or owns, or may now or in the future have or own for any claims arising out of or relating in any way to the negotiations of the Offer, the Offer or UBS’s acquisition of, transactions in, ownership of or holdings in the Fund’s ARPS and (ii) each of the Fund Parties and UBS acknowledged and agreed that they will not now or in the future bring any claim, action, lawsuit, arbitration proceeding or other form of action against any of the other parties, directly or indirectly, arising out of or in any way connected with any claim or potential claim released under the Agreement, and that the Agreement is a bar to any such claim, action, lawsuit, proceeding or other form of action.

12. LEGAL MATTERS; REGULATORY APPROVALS

Except as described herein, the Fund is not aware of any license or regulatory permit that appears to be material to the Fund's businesses that might be adversely affected by the Fund's acquisition of ARPS as contemplated by the Offer or of any approval or other action by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, that would be required for the Fund's acquisition or ownership of ARPS as contemplated by the Offer. Should any such approval or other action be required, the Fund currently contemplates that it will seek approval or such other action. The Fund cannot predict whether it may determine that it is required to delay the acceptance for payment of, or payment for, ARPS tendered in response to the Offer, pending the outcome of any such matters. There can be no assurance that any approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any approval or other action might not result in adverse consequences to our business. The Fund's obligation to accept for payment and pay for shares under the offer is subject to various conditions. See Section 13 of this Offer to Purchase.

13. CONDITIONS FOR THE OFFER

Notwithstanding any other provision of the Offer, it is the announced policy of the Board, which may be changed by the Trustees, and a condition to the Offer that the Fund cannot accept tenders or effect repurchases, unless otherwise determined by the Fund's Board, if: (1) such transactions, if consummated, would (a) result in delisting of the Fund's common shares from the NYSE; (b) impair the Fund's status as a regulated investment company under the Code (which would make the Fund subject to federal income tax on all of its net income and gains in addition to the taxation of shareholders who receive distributions from the Fund); or (c) result in a failure of the Fund to comply with the applicable asset coverage requirements in the event any senior securities are issued and outstanding; (2) there shall be instituted or pending before any governmental entity or court any action, proceeding, application or claim, or any judgment, order or injunction sought, or any other action taken by any person or entity, which (a) restrains, prohibits or materially delays the making or consummation of the tender offer; (b) challenges the acquisition by the Fund of ARPS pursuant to the tender offer or the Board's fulfillment of its fiduciary obligations in connection with the tender offer; (c) seeks to obtain any material amount of damages in connection with the tender offer; or (d) otherwise directly or indirectly materially adversely affects the tender offer or the Fund; or (3) there is any (a) suspension of or limitation on prices for trading securities generally on the NYSE or other national securities exchange(s); (b) declaration of a banking moratorium by Federal or state authorities or any suspension of payment by banks in the United States or New York State; or (c) limitation affecting the Fund or the issuers of its portfolio securities imposed by federal or state authorities on the extension of credit by lending institutions.

In order to facilitate the Offer, if you own ARPS through a broker or other Nominee Holder, when your broker or other Nominee Holder tenders your ARPS on your behalf, your broker or other Nominee Holder will be required to provide the Depository additional contact information for its Auction Department, or whoever at your broker or other Nominee Holder submits auction instructions for the ARPS on its behalf. If your broker or other Nominee Holder is unable to provide this contact information, the Fund, in its sole discretion, may waive this requirement with respect to the Fund.

The Fund reserves the right, at any time during the pendency of its Offer, to terminate, extend or amend its Offer in any respect. In the event any of the foregoing conditions are modified or waived in whole or in part at any time by the Fund, the Fund will promptly make a public announcement of such waiver and may, depending on the materiality of the modification or waiver, extend its Offer period as provided in Section 2 "Extension of Tender Period; Termination; Amendment" of this Offer to Purchase.

The foregoing conditions are for the sole benefit of the Fund and may be asserted by the Fund regardless of the circumstances (including any action or inaction by the Fund) giving rise to any of these conditions, and may be waived by the Fund, in whole or in part, at any time and from time to time, on or before the Expiration Date, in its sole discretion. The Fund's failure at any time to exercise any of the foregoing rights shall not be deemed a waiver of any of these rights, and each of these rights shall be deemed an ongoing right that may be asserted at any time and from time to time. Any determination or judgment by the Fund concerning the events described above will be final and binding on all parties.

14. FEES AND EXPENSES

The Fund has retained Computershare Inc. as Depositary for its Offer and its affiliate, Georgeson LLC, to act as Information Agent. The Information Agent may contact holders of ARPS by mail, telephone, telex, email, telegraph and personal interviews and may request brokers and other Nominee Holders to forward materials relating to the Offer to beneficial owners. The Depositary and Information Agent will receive reasonable and customary compensation for their services, will be reimbursed for certain reasonable expenses and will be indemnified against certain liabilities in connection therewith.

The Fund will not pay any fees or commissions to any broker, any other Nominee Holder, or any other person (other than the Depositary and Information Agent) for soliciting tenders of ARPS pursuant to its Offer. Brokers and other Nominee Holders will, upon request, be reimbursed by the Fund for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers. No such broker or other Nominee Holder has been authorized to act as the agent of the Fund or the Depositary or Information Agent for purposes of the Offer.

The Fund will also bear any printing and mailing costs, SEC filing fees and legal fees associated with the Fund's Offer.

15. MISCELLANEOUS

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of ARPS in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. We are not aware of any jurisdiction where the making of the Offer is not in compliance with applicable law. If we become aware of any jurisdiction where the making of the Offer is not in compliance with any applicable law, we will make a good faith effort to comply with the applicable law.

In accordance with Rule 13e-4 under the Exchange Act, the Fund has filed with the SEC a Tender Offer Statement on Schedule TO that contains additional information with respect to its Offer. The Schedule TO, including the exhibits and any amendments thereto, may be examined, and copies may be obtained, at the places and in the manner set forth in Section 10 of this Offer to Purchase.

The Fund has not authorized any person to make any recommendation on their behalf regarding whether you should tender or refrain from tendering your ARPS in the Offer. The Fund has not authorized any person to provide any information or make any representation in connection with the Offer, other than those contained in this Offer to Purchase or in the related Letter of Transmittal. You should not rely upon any recommendation, information or representation that is given or made to you as having been authorized by the Fund, the Board, the officers of the Fund, the Investment Manager, the Fund's transfer agent, the Depositary or the Information Agent.

Virtus Convertible & Income Fund

October 3, 2022

The Letter of Transmittal, certificates for shares and any other required documents should be sent or delivered by the Fund shareholder or the shareholder's broker, dealer, commercial bank, trust company or nominee to the depository as follows:

Computershare Inc.
150 Royall Street
Suite V
Canton, MA 02021

DELIVERY OF THE LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

Any questions, requests for assistance or requests for additional copies of this Offer to Purchase, the Letter of Transmittal, Notice of Guaranteed Delivery, or other related documents may be directed to the Information Agent at the telephone number or address set forth below. You may also contact your broker, dealer, commercial bank, trust company or nominee for assistance concerning the offer. To confirm delivery of shares, shareholders are directed to contact the Depository.

Georgeson LLC
1290 Avenue of the Americas, 9th Floor,
New York, NY 10104

Should you have any questions about the Offer, please contact Georgeson LLC at (866) 785-7395 Monday through Friday 9 a.m. to 5 p.m. Eastern time.

LETTER OF TRANSMITTAL

To Tender Preferred Shares (Designated Auction-Rate Preferred Shares Series A, Series B, Series C, Series D and Series E)

of

Virtus Convertible & Income Fund

Pursuant to the Offer to Purchase
Dated October 3, 2022

**THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON
NOVEMBER 1, 2022, UNLESS THE OFFER IS EXTENDED.**

The Depository for the Offer is:
Computershare

Delivery by Mail should be directed to:

Computershare
Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

Delivery by Registered, Certified or Express Mail or Overnight
Courier should be should be directed to:

Computershare
Corporate Actions
150 Royall Street
Suite V
Canton, MA 02021

**DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT
CONSTITUTE A VALID DELIVERY. THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE
READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.**

This Letter of Transmittal relates to the offer by Virtus Convertible & Income Fund (the "Fund"), a Massachusetts business trust registered under the Investment Company Act of 1940, as amended, to purchase for cash up to 100% of its outstanding auction-rate preferred shares of beneficial interest, par value \$0.00001 per share and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares Series A, Series B, Series C, Series D and Series E (the "Preferred Shares") upon the terms and subject to the conditions set forth in the Offer to Purchase dated October 3, 2022 (the "Offer to Purchase"), receipt of which is hereby acknowledged, and in this Letter of Transmittal, which, together with the Offer to Purchase, each as amended or supplemented from time to time, together constitute the "Offer."

DESCRIPTION OF PREFERRED SHARES TENDERED

Name(s) and Address(es) of Registered Holder(s) (Please fill in, if blank)	Series A Preferred Shares Tendered* (attach Additional Signed List if Necessary)	Series B Preferred Shares Tendered* (attach Additional Signed List if Necessary)	Series C Preferred Shares Tendered* (attach Additional Signed List if Necessary)
	1 <input type="checkbox"/> All	1 <input type="checkbox"/> All	1 <input type="checkbox"/> All
	2 <input type="checkbox"/> Partial:	2 <input type="checkbox"/> Partial:	2 <input type="checkbox"/> Partial:
	Series D Preferred Shares Tendered* (attach Additional Signed List if Necessary)	Series E Preferred Shares Tendered* (attach Additional Signed List if Necessary)	
	1 <input type="checkbox"/> All	1 <input type="checkbox"/> All	
	2 <input type="checkbox"/> Partial:	2 <input type="checkbox"/> Partial:	
* Unless otherwise indicated, it will be assumed that all (and not partial) Series A, B, C, D and/or E Shares are being tendered. See Instruction 3.			

If you wish to tender all or any portion of your Series A, B, C, D or E Preferred Shares of the Fund, you should either:

- tender your Series A, B, C, D and/or E Preferred Shares pursuant to the procedure for book-entry tender set forth in Section 3 of the Offer to Purchase; or
- request a broker, dealer, commercial bank, trust company or other nominee to effect the transaction for you. If your Preferred Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you should contact such person if you desire to tender your Preferred Shares.

If you desire to tender Series A, B, C, D and/or E Preferred Shares and such Series A, B, C, D and/or E Preferred Shares cannot be delivered to the Depository or you cannot comply with the procedure for book-entry transfer or your other required documents cannot be delivered to the Depository, in any case, by the expiration of the Offer, you must tender such Series A, Series B, Series C, Series D or Series E Preferred Shares pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase.

Questions and requests for assistance or for additional copies of this Letter of Transmittal, the Offer to Purchase, the Notice of Guaranteed Delivery or the Notice of Withdrawal may be directed to Georgeson LLC (the "Information Agent").

ADDITIONAL INFORMATION REGARDING TENDERED PREFERRED SHARES
PLEASE READ ACCOMPANYING INSTRUCTIONS CAREFULLY.

Ladies and Gentlemen:

The undersigned hereby tenders to Virtus Convertible & Income Fund, a Massachusetts business trust (the "Fund"), the above-described preferred shares of beneficial interest, par value \$0.00001 per share and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares Series A, B, C, D and/or Series E, pursuant to the Fund's offer to purchase up to 100% of its outstanding Auction-Rate Preferred Shares, upon the terms and subject to the conditions set forth in the Fund's Offer to Purchase dated October 3, 2022 (the "Offer to Purchase"), receipt of which is hereby acknowledged, and this Letter of Transmittal (the "Letter of Transmittal") which, together with the Offer to Purchase, each as amended or supplemented from time to time, constitutes the "Offer." The price to be paid for the Preferred Shares is an amount per share, net to the seller in cash, equal to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share, the "Closing Amount"), plus any unpaid dividends accrued through the Expiration Date (as defined in the Offer to Purchase), less any applicable withholding taxes and without interest, and subject to the conditions set forth in the Offer, if properly tendered and not withdrawn prior to the Expiration Date. The Offer by the Fund is not conditioned on any minimum number of Preferred Shares being validly tendered and not withdrawn prior to the expiration of the Offer but is subject to other conditions as outlined in the Offer and in the related Letter of Transmittal.

Upon the terms and subject to the conditions of the Offer and effective upon acceptance for payment of and payment for the Preferred Shares tendered herewith, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Fund all right, title and interest in and to all the Preferred Shares that are being tendered hereby and appoints the Fund the true and lawful agent and attorney-in-fact of the undersigned with respect to such Preferred Shares, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to:

- (i) transfer ownership of such Preferred Shares on the account books maintained by the Book-Entry Transfer Facility (as defined in the Offer to Purchase), as applicable, together, in any such case, with all accompanying evidences of transfer and authenticity, to or upon the order of the Fund;
- (ii) present such Preferred Shares for transfer on the books of the Fund; and
- (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Preferred Shares, subject to the next paragraph, all in accordance with the terms and subject to the conditions of the Offer.

The undersigned hereby covenants, represents and warrants to the Fund that:

- (i) the undersigned has full power and authority to tender, sell, assign and transfer the Preferred Shares tendered hereby and that when and to the extent the same are accepted for payment by the Fund, the Fund will acquire good, marketable and unencumbered title thereto, free and clear of all security interest, liens, restrictions, charges, encumbrances, conditional sales agreements or other obligations relating to the sale or transfer of the Preferred Shares and not subject to any adverse claims;
- (ii) the undersigned understands that tenders of Preferred Shares pursuant to any of the procedures described in Section 3 of the Offer to Purchase and in the instructions to this Letter of Transmittal will constitute the undersigned's acceptance of the terms and conditions of the Offer;
- (iii) the undersigned will, upon request, execute and deliver any additional documents deemed by the Depository or the Fund to be necessary or desirable to complete the sale, assignment and transfer of the Preferred Shares tendered hereby; and
- (iv) the undersigned has read, understands and agrees to all the terms of the Offer.

All authority herein conferred or agreed to be conferred by this Letter of Transmittal shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and legal representatives of the undersigned. Except as stated in the Offer to Purchase, this tender is irrevocable.

The purchase price of each Preferred Share will equal 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share), plus any unpaid dividends accrued through the Expiration Date, less any applicable withholding taxes and without interest. All Preferred Shares validly tendered on or before the Expiration Date of the Offer and not properly withdrawn will be purchased, subject to the terms and conditions of the Offer. If any tendered Preferred Shares are not accepted for payment pursuant to the terms and conditions of the Offer for any reason, such Preferred Shares will be returned without expense to the holder of Preferred Shares ("Preferred Shareholder") in accordance with Section 5 of the Offer to Purchase.

The undersigned understands that tenders of Preferred Shares pursuant to any one of the procedures described in Section 3 of the Offer to Purchase and in the instructions hereto will constitute a binding agreement between the undersigned and the Fund upon the terms and subject to the conditions of the Offer. The undersigned acknowledges that under no circumstances will the Fund pay interest on the purchase price, including, without limitation, by reason of any delay in making payment.

The undersigned recognizes that, under the circumstances set forth in the Offer to Purchase, the Fund may terminate or amend the Offer; may postpone the acceptance for payment of, or the payment for, Preferred Shares tendered; or may accept for payment fewer than all of the Preferred Shares tendered.

Checks for the Closing Amount will be issued and mailed and any Certificate(s) not tendered or not accepted for payment will be issued or returned in the name(s) of the registered holder(s) appearing under "Description of Shares Tendered." Any Shares tendered herewith by book-entry transfer that are not accepted for payment will be credited back to the account at the Book-Entry Transfer Facility designated above.

SIGN HERE

(Please complete and return the IRS Form W-9 attached)*

(Signature(s) of Owners)

Dated: _____

Name(s): _____

(Please Print)

Capacity (full title and location signed): _____

Address: _____

(Include Zip Code)

Area Code and Telephone Number: _____

(Must be signed by registered holder(s) exactly as name(s) appear(s) on a security position listing or by person(s) authorized to become registered holder(s) by certificate(s) and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, please set forth full title and location of signing and see Instruction 4.)

Guarantee Of Signature(s)

(See Instructions 1 and 3)

Authorized Signature: _____

Name: _____

Title: _____

(Please Type or Print)

Name of Firm: _____

Address: _____

(Include Zip Code)

Area Code and Telephone No.: _____

Dated: _____

* A non-U.S. Preferred Shareholder should NOT complete and return the attached Form W-9, but should instead contact the Information Agent or its broker, dealer, commercial bank, trust company or other nominee for the appropriate certification (e.g., W-8BEN, W-8BEN-E, W-8ECI or W-8EXP). A non-U.S. Preferred Shareholder is any shareholder other than (i) a citizen or resident of the U.S., (ii) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes), partnership or other entity created or organized in or under the laws of the U.S., any State or any political subdivision thereof, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of the source of the income, or (iv) a trust if it (x) is subject to the supervision of a court within the U.S. and one or more U.S. persons has the authority to control all substantial decisions of the trust or (y) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

INSTRUCTIONS
Forming Part of the Terms and Conditions of the Offer

1. Guarantee of Signatures. Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association, Inc., including the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program and the Stock Exchanges Medallion Program (each, an “Eligible Institution”). Signatures on this Letter of Transmittal need not be guaranteed (a) if this Letter of Transmittal is signed by the registered owner(s) (which term, for purposes of this document, includes any participant in any of Depository Trust Company’s (“DTC”) systems whose name appears on a security position listing as the owner of the Preferred Shares) of Preferred Shares tendered herewith or (b) if such Preferred Shares are tendered for the account of an Eligible Institution.

2. Delivery of Letter of Transmittal and Book-Entry Confirmations. If tenders are to be made pursuant to the procedures for tender by book-entry transfer set forth in Section 3 of the Offer to Purchase, an Agent’s Message (as defined below) must be utilized. A manually executed facsimile of this document may be used in lieu of the original. Confirmation of any book-entry transfer into Computershare’s (the “Depository”) account at DTC of Preferred Shares tendered by book-entry transfer (“Book Entry Confirmation”), as well as this Letter of Transmittal properly completed and duly executed with an Agent’s Message, and any other documents required by this Letter of Transmittal, must be received by the Depository at its address set forth herein prior to the Expiration Date (unless the tender is made during a subsequent offering period, if one is provided, in which case the Preferred Shares, the Letter of Transmittal and other documents must be received prior to the expiration of the subsequent offering period).

Stockholders who cannot complete the procedures for book-entry transfer prior to the Expiration Date may nevertheless tender their Preferred Shares by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. Pursuant to such procedure: (a) such tender must be made by or through an Eligible Institution, (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Fund must be received by the Depository prior to the Expiration Date (or prior to the expiration of the subsequent offering period, as applicable), and (c) a Book Entry Confirmation with respect to such Preferred Shares, this Letter of Transmittal (or facsimile thereof), properly completed and duly executed with any required signature guarantees (or, in the case of a book-entry transfer, an Agent’s Message), and all other documents required by this Letter of Transmittal, if any, must be received by the Depository within two days after the date of execution of such Notice of Guaranteed Delivery.

The term “Agent’s Message” means a message, transmitted through electronic means by DTC to, and received by, the Depository and forming part of a Book Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC tendering the Preferred Shares which are the subject of such Book Entry Confirmation that such participant has received and agrees to be bound by the terms of this Letter of Transmittal and that the Fund may enforce such agreement against the participant. The term “Agent’s Message” also includes any hard copy printout evidencing such message generated by a computer terminal maintained at the Depository’s office. For Preferred Shares to be validly tendered during any subsequent offering period, the tendering stockholder must comply with the foregoing procedures, except that the required documents must be received before the expiration of the subsequent offering period and no guaranteed delivery procedure will be available during a subsequent offering period.

THE METHOD OF DELIVERY OF THE PREFERRED SHARES, THIS LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH DTC, IS AT THE ELECTION AND RISK OF THE TENDERING STOCKHOLDER. DELIVERY OF ALL SUCH DOCUMENTS WILL BE DEEMED MADE AND RISK OF LOSS SHALL PASS ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY BY BOOK ENTRY CONFIRMATION. IF SUCH DELIVERY IS BY MAIL, IT IS RECOMMENDED THAT ALL SUCH DOCUMENTS BE SENT BY PROPERLY INSURED REGISTERED MAIL WITH RETURN RECEIPT REQUESTED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Preferred Shares will be purchased. All tendering stockholders, by execution of this Letter of Transmittal (or facsimile thereof), waive any right to receive any notice of the acceptance of their Preferred Shares for payment.

All questions as to the proper completion or execution of any Letter of Transmittal, Notice of Guaranteed Delivery, or other required documents, will be determined by the Fund in its sole and absolute discretion (which may delegate power in whole or in part to the Depository) which determination will be final and binding. The Fund reserves the absolute right to reject any and all tenders determined by it not to be in proper form or the acceptance for payment of or payment for which may be unlawful. The Fund also reserves the absolute right to waive any defect or irregularity in the surrender of any Preferred Shares whether or not similar defects or irregularities are waived in the case of any other stockholder. A surrender will not be deemed to have been validly made until all defects and irregularities have been cured or waived. The Fund and the Depository shall make reasonable efforts to notify any person of any defect in any Letter of Transmittal submitted to the Depository.

3. Signatures on Letter of Transmittal; Stock Powers and Endorsements. If any Preferred Shares tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any tendered Preferred Shares are registered in the names of different holder(s), it will be necessary to complete, sign and submit as many separate Letters of Transmittal (or facsimiles thereof) as there are different registrations of such Preferred Shares.

If this Letter of Transmittal is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Fund of their authority so to act must be submitted.

4. Transfer Taxes. The amount of any stock or share transfer taxes imposed in respect of the Preferred Shares tendered in connection with the Offer, including, without limitation, such taxes imposed for a reason other than the sale or transfer of Preferred Shares to the Fund pursuant to its Offer, whether such taxes are imposed on the registered holder(s), any other person to whom Preferred Shares are to be returned or the purchase price is to be paid, or otherwise, including any such taxes due in respect of (a) Preferred Shares tendered but not purchased, including such Preferred Shares that are to be returned in the name of a person other than the registered holder(s), or (b) Preferred Shares the purchase price for which is paid to a person other than the registered holder(s), will be for the stockholder's account and will not be borne by the Fund. Stockholders should consult their own tax advisors concerning the tax consequences of participating in the Offer in light of their particular situations.

5. Special Payment and Delivery Instructions. If a check for the purchase price is to be issued to, a person other than the signer(s) of this Letter of Transmittal or to an address other than that shown in the box titled "Description of Preferred Shares Tendered" above, the appropriate boxes on this Letter of Transmittal should be completed. Stockholders delivering Preferred Shares tendered hereby or by Agent's Message by book-entry transfer may request that Preferred Shares not purchased be credited to an account maintained at DTC. If no such instructions are given, all such Preferred Shares not purchased will be returned by crediting the same account at DTC as the account from which such Preferred Shares were delivered. All such requests must be guaranteed by a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association, Inc., including the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program and the Stock Exchanges Medallion Program (each, an "Eligible Institution").

6. Requests for Assistance or Additional Copies. Questions or requests for assistance may be directed to the Information Agent at their address and telephone number set forth below or to your broker, dealer, commercial bank or trust company. Additional copies of the Offer to Purchase, this Letter of Transmittal, Notice of Guaranteed Delivery, and other tender offer materials may be obtained from the Information Agent as set forth below, and will be furnished at the Fund's expense.

7. Backup Withholding. Under U.S. federal income tax laws, the applicable withholding agent will be required to withhold a portion of the amount of any payments made to certain stockholders. In order to avoid such backup withholding, each tendering stockholder or payee that is a United States person for U.S. federal income tax purposes, must provide the applicable withholding agent with such stockholder's or payee's correct taxpayer identification number ("TIN") and certify that such stockholder or payee is not subject to such backup withholding by completing the attached IRS Form W-9. If such stockholder is an individual, the TIN is such stockholder's Social Security number. Certain stockholders or payees (including, among others, corporations, non-resident foreign individuals and foreign entities) are not subject to these backup withholding and reporting requirements. Exempt stockholders or payees that are United States persons should furnish their TIN, check the appropriate box on the IRS Form W-9 and sign, date and return the IRS Form W-9 to the applicable withholding agent in order to confirm exempt status and avoid erroneous backup withholding. A tendering stockholder who is a foreign individual or a foreign entity should complete, sign, and submit to the applicable withholding agent the appropriate IRS Form W-8, signed under penalties of perjury, attesting to such stockholder or payee's foreign status or otherwise establishing an exemption from backup withholding. The appropriate IRS Form W-8 may be obtained from the Depository or downloaded from the IRS's website at the following address: <http://www.irs.gov>. Failure to complete the IRS Form W-9 or applicable IRS Form W-8 will not, by itself, cause Preferred Shares to be deemed invalidly tendered, but may require the applicable withholding agent to withhold a portion of the amount of any payments made of the offer price pursuant to the Offer.

Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the IRS if eligibility is established and appropriate procedure is followed.

Please consult your accountant or tax advisor for further guidance regarding the completion of IRS Form W-9, IRS Form W-8BEN, or another version of IRS Form W-8 to claim exemption from backup withholding, or contact the Depository.

NOTE: FAILURE TO COMPLETE AND RETURN THE FORM W-9 OR APPROPRIATE FORM W-8, AS APPLICABLE, MAY RESULT IN BACKUP WITHHOLDING OF A PORTION OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE "IMPORTANT TAX INFORMATION" SECTION BELOW. YOU ARE HEREBY NOTIFIED THAT YOU SHOULD SEEK ADVICE BASED ON YOUR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

8. Waiver of Conditions. Subject to the terms and conditions of the Offer to Purchase and the applicable rules and regulations of the Securities and Exchange Commission, the conditions of the Offer may be waived by the Fund in whole or in part at any time and from time to time in its sole discretion.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A MANUALLY EXECUTED FACSIMILE COPY THEREOF) OR AN AGENT'S MESSAGE, TOGETHER WITH BOOK-ENTRY CONFIRMATION OR A PROPERLY COMPLETED AND DULY EXECUTED NOTICE OF GUARANTEED DELIVERY AND ALL OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BY THE DEPOSITARY PRIOR TO THE EXPIRATION DATE.

IMPORTANT TAX INFORMATION

Under United States federal income tax law, a stockholder that is a non-exempt United States person for U.S. federal income tax purposes whose tendered Preferred Shares are accepted for payment must provide the applicable withholding agent with such stockholder's correct TIN on IRS Form W-9 below in order to avoid backup withholding. If such stockholder is an individual, the TIN is such stockholder's Social Security number. If the applicable withholding agent is not provided with the correct TIN, the stockholder may be subject to penalties imposed by the Internal Revenue Service ("IRS") and payments that are made to such stockholder with respect to Preferred Shares purchased pursuant to the Offer, may be subject to backup withholding.

If backup withholding applies, the applicable withholding agent is required to withhold a percentage of any payments made to the stockholder pursuant to the Offer. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may be obtained from the IRS provided that the required information is furnished to the IRS.

IRS Form W-9 and Form W-8

To prevent backup withholding on payments that are made to a stockholder with respect to Preferred Shares tendered pursuant to the Offer, a stockholder that is a United States person is required to notify the applicable withholding agent of such stockholder's correct TIN by completing the IRS Form W-9 certifying, under penalties of perjury, (i) that the TIN provided on the IRS Form W-9 is correct (or that such stockholder is awaiting a TIN (see "What Number to Give the Withholding Agent", below)), (ii) that such stockholder is not subject to backup withholding because (a) such stockholder has not been notified by the IRS that such stockholder is subject to backup withholding as a result of a failure to report all interest or dividends, (b) the IRS has notified such stockholder that such stockholder is no longer subject to backup withholding or (c) such stockholder is exempt from backup withholding, and (iii) that such stockholder is a United States person.

Certain stockholders or payees (including, among others, corporations) who are exempt recipients are not subject to backup withholding. See the enclosed copy of the IRS Form W-9 and the instructions to IRS Form W-9. Exempt stockholders or payees that are United States persons must furnish their TIN, check the appropriate box on the IRS Form W-9 and sign, date and return the IRS Form W-9 to the applicable withholding agent in order to confirm exempt status and avoid erroneous backup withholding.

A foreign stockholder or other payee that is not a United States person may qualify as an exempt recipient by providing the applicable withholding agent with a properly completed and signed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, or other appropriate IRS Form W-8, signed under penalties of perjury, attesting to such stockholder or payee's foreign status or by otherwise establishing an exemption. An appropriate IRS Form W-8 may be obtained from the Depository or the IRS website (www.irs.gov).

What Number to Give the Withholding Agent

Each stockholder that is a United States person for U.S. federal income tax purposes is generally required to give the applicable withholding agent its Social Security number or employer identification number in order to avoid backup withholding. If the tendering stockholder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, the stockholder should write "Applied For" in Part I, sign and date the Form W-9. Notwithstanding that "Applied For" is written in Part I, the applicable withholding agent will withhold a percentage of all payments of the purchase price to such stockholder until a TIN is provided to the applicable withholding agent. Such amounts will be refunded to such surrendering stockholder if a TIN is provided to the applicable withholding agent within 60 days. We note that your IRS Form W-9, including your TIN, may be transferred from the Depository to the Paying Agent, in certain circumstances.

Please consult your accountant or tax advisor for further guidance regarding the completion of IRS Form W-9, IRS Form W-8BEN, or another version of IRS Form W-8 to claim exemption from backup withholding, or contact the Depository.

[INSERT W-9]

The Depository for the Offer to Purchase is:

Computershare

Delivery by Mail should be directed to:

Computershare
Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

Delivery by Registered, Certified or Express Mail or Overnight
Courier should be should be directed to:

Computershare
Corporate Actions
150 Royall Street
Suite V
Canton, MA 02021

**DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT
CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.**

Any questions or requests for assistance may be directed to the Information Agent at its telephone number and location listed below. Requests for additional copies of this Offer to Purchase and the Letter of Transmittal may be directed either to the Information Agent the telephone number and location listed below. You may also contact your broker, dealer, commercial bank or trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

Georgeson LLC
1290 Avenue of the Americas, 9th Floor,
New York, NY 10104
(866) 785-7395

**Offer by
Virtus Convertible & Income Fund
(the “Fund”)
to Purchase for Cash
Up To 100% of Its Outstanding Preferred Shares**
(Virtus Convertible & Income Fund: Auction-Rate Preferred Shares Series A, Series B, Series C, Series D and Series E)

[xx, 2022]

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

We have been appointed to act as Information Agent (as defined in the Offer to Purchase) in connection with an offer by the Fund, a Massachusetts business trust registered under the Investment Company Act of 1940, as amended, to purchase for cash up to 100% of its outstanding auction-rate preferred shares of beneficial interest, \$0.00001 par value and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares (with respect to the Fund, the “Preferred Shares”), upon the terms and subject to the conditions set forth in the offer to purchase dated October 3, 2022 (the “Offer to Purchase”) and the Fund’s related letter of transmittal (the “Letter of Transmittal,” which, together with the Offer to Purchase, each as amended or supplemented from time to time, constitutes the Fund’s “Offer”). The price to be paid for the Fund’s Preferred Shares is an amount to the seller, equating to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share) in cash, plus any unpaid dividends accrued through November 1, 2022, or such later date to which the Offer is extended, less any applicable withholding taxes and without interest, and subject to the conditions set forth in the Offer, if properly tendered and not withdrawn prior to the Expiration Date (as defined in the Offer to Purchase).

We are asking you to contact your clients for whom you hold the Fund’s Preferred Shares registered in your name (or in the name of your nominee) or who hold the Fund’s Preferred Shares registered in their own names. Please bring the Offer to their attention as promptly as possible.

For your information and for forwarding to your clients, we are enclosing the following documents:

1. The Offer to Purchase dated October 3, 2022;
2. The Letter of Transmittal for your use and for the information of your clients, including *IRS Form W-9*, which provides information relating to backup federal income tax withholding;
3. Notice of Withdrawal to be used to withdraw previously tendered Preferred Shares; and
4. A form of letter which may be sent to your clients for whose accounts you hold the Fund’s Preferred Shares registered in your name (or in the name of your nominee), with space provided for obtaining such clients’ instructions with regard to the Offer.

Your prompt action is requested. We urge you to contact your clients as promptly as possible. THE FUND’S OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON NOVEMBER 1, 2022, UNLESS THE OFFER IS EXTENDED.

The Offer is not being made to, nor will the Fund accept tenders from, holders of Preferred Shares in any jurisdiction in which the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction.

The Fund will not pay any fees or commissions to any broker, dealer or other person (other than the Depositary and Information Agent as described in the Offer to Purchase) for soliciting tenders of Preferred Shares pursuant to the Offer. Each Fund will, however, upon request, reimburse you for reasonable and necessary costs and expenses incurred by you in forwarding any of the enclosed materials to your clients. Preferred Shareholders of the Fund will be responsible for paying all stock transfer taxes in connection with the Offer, except as otherwise provided in the Offer to Purchase. **In addition, backup withholding may be required unless either an exemption is proved or the required taxpayer identification information and certifications are provided. See Section 3, “Procedures for Tendering Preferred Shares,” of the Offer to Purchase.**

In order to accept the Offer, an Agent's Message (as defined in the Offer to Purchase), and any other required documents, should be sent to the Depositary (as defined in the Offer to Purchase) by 5:00 p.m., New York City time, on November 1, 2022.

In order to facilitate the Offer and any auctions for Preferred Shares that may remain outstanding after the Offer is completed, when you tender Preferred Shares on behalf of your clients you will need to provide additional contact information for your Auction Department and/or the Broker-Dealer who submits auction instructions for the Preferred Shares on your behalf. Should you be unable to provide this contact information, the Fund, in its sole discretion, may waive this requirement. Please contact Georgeson Inc., the Information Agent for the Offer, at (866) 785-7395 with any questions.

Neither the Fund, its Board of Trustees, the investment manager nor the subadviser make any recommendation to any holder of Preferred Shares as to whether to tender all or any Preferred Shares.

Any inquiries you may have with respect to the Offer should be addressed to, and additional copies of the enclosed materials may be obtained from, the Information Agent at the addresses and telephone number set forth on the back cover of the Offer to Purchase.

Very truly yours,

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NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU THE AGENT OF THE FUND, THE INFORMATION AGENT, THE DEPOSITARY OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE MATERIALS ENCLOSED HERewith AND THE STATEMENTS SPECIFICALLY SET FORTH IN SUCH MATERIALS.

Offer by
Virtus Convertible & Income Fund
(the “Fund”)
to Purchase for Cash
Up To 100% of Its Outstanding Preferred Shares
(Virtus Convertible & Income Fund: Auction-Rate Preferred Shares Series A, Series B, Series C, Series D and Series E)

[xx, 2022]

To Our Clients:

Enclosed for your consideration is the offer to purchase dated October 3, 2022 (the “Offer to Purchase”) in connection with an offer by the Fund, a Massachusetts business trust registered under the Investment Company Act of 1940, as amended, to purchase for cash up to 100% of its outstanding auction-rate preferred shares of beneficial interest, \$0.00001 par value and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares (with respect to the Fund, the “Preferred Shares”), upon the terms and subject to the conditions set forth in the Offer to Purchase and the Fund’s related letter of transmittal (the “Letter of Transmittal,” which, together with the Offer to Purchase, each as amended or supplemented from time to time, constitutes the Fund’s “Offer”). The price to be paid for the Fund’s Preferred Shares is an amount to the seller, equating to 97.95% of the liquidation preference of \$25,000 per share (or \$24,487.50 per share) in cash, plus any unpaid dividends accrued through November 1, 2022, or such later date to which the Offer is extended, less any applicable withholding taxes and without interest, and subject to the conditions set forth in the Offer, if properly tendered and not withdrawn prior to the Expiration Date (as defined in the Offer to Purchase). The Fund’s Offer is not conditioned on any minimum number of shares being tendered but is subject to other conditions as outlined in the Offer and in the related Letter of Transmittal.

We are the registered holder of record of Preferred Shares held for your account. A tender of such Preferred Shares can be made only by us as the registered holder of record and only pursuant to your instructions. The Offer to Purchase is being furnished to you for your information only and cannot be used by you to tender Preferred Shares held by us for your account.

We request instructions as to whether you wish us to tender all or any Preferred Shares held by us for your account, upon the terms and subject to the conditions set forth in the Offer(s).

Your attention is invited to the following:

1. The purchase price to be paid for the Fund’s Preferred Shares is an amount per share, net to the seller in cash, equal to 97.95% of the liquidation preference per share (or \$24,487.50 per share), plus any unpaid dividends accrued through November 1, 2022, or such later date to which the Offer is extended, less any applicable withholding taxes and without interest, and subject to the conditions set forth in the Offer. When considering whether to tender Preferred Shares, you should be aware that the payment received pursuant to the Offer will be less than the liquidation preference of the Preferred Shares. Under the Fund’s Bylaws, holders of the Fund’s Preferred Shares would receive the full liquidation preference of the Preferred Shares in certain limited circumstances — *i.e.*, in the event of the liquidation of the Fund or a mandatory redemption under the terms of the Preferred Shares as a result of the Fund failing to meet certain asset coverage requirements.
2. The Fund’s Offer and withdrawal rights expire at 5:00 p.m., New York City time, on November 1, 2022, unless the Offer is extended.
3. The Fund’s Offer is not conditioned on any minimum number of shares being tendered but is subject to certain other conditions as outlined in this Offer and in the related Letter of Transmittal.

4. Upon the terms and subject to the conditions of the Fund's Offer, such Fund will purchase all Preferred Shares validly tendered (and not withdrawn) on or prior to the Expiration Date (as defined in the Offer to Purchase).
5. Any stock transfer taxes applicable to the sale of Preferred Shares to the Fund pursuant to that Fund's Offer will be paid by the Preferred Shareholders, except as otherwise provided in the Offer to Purchase.
6. No fees or commissions will be payable to the Fund in connection with the Offer. However, brokers and other nominees who tender Preferred Shares pursuant to your instructions may charge you a fee for doing so.
7. Your instructions to us should be forwarded in ample time before the Expiration Date to permit us to submit a tender on your behalf.
8. In order to facilitate auctions for any Preferred Shares that may remain outstanding after the Offer is completed, please provide, if known, the contact information for the Auction Department at your broker or other nominee, or the Broker-Dealer (if a different party) that submits auction instructions to the Auction Agent on your behalf.

If you wish to have us tender all or any of your Preferred Shares, please so instruct us by completing, executing and returning to us the enclosed instruction form. If you authorize the tender of your Preferred Shares, all such Preferred Shares will be tendered unless otherwise specified on the detachable part hereof. **Your instructions to us should be forwarded as promptly as possible in order to permit us to submit a tender on your behalf in accordance with the terms and conditions of an Offer.**

The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Preferred Shares in any jurisdiction in which the making of an Offer or acceptance thereof would not be in compliance with the laws of such jurisdiction.

Neither the Fund, its Board of Trustees (the "Board") nor its investment manager or subadviser are making any recommendation to any holder of Preferred Shares as to whether to tender or refrain from tendering Preferred Shares in an Offer. Each holder of Preferred Shares is urged to read the Offer to Purchase and the Letter of Transmittal and accompanying materials carefully in evaluating an Offer. No person has been authorized to give any information or to make any representations in connection with an Offer other than the materials enclosed herewith and the statements specifically set forth in such materials, and, if given or made, such information or representations may not be relied upon as having been authorized by the Fund or its Board.

Payment for Preferred Shares purchased pursuant to an Offer will in all cases be made only after timely receipt by Computershare Inc. (the "Depository") of (a) timely confirmation of the book-entry transfer of such Preferred Shares into the account maintained by the Depository at the Depository (the "Book-Entry Transfer Facility"), pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (b) an Agent's Message (as defined in the Offer to Purchase), in connection with a book-entry delivery, and (c) any other documents required by the applicable Letter of Transmittal.

Instructions with Respect to Offer by

Virtus Convertible & Income Fund

(the "Fund")

to Purchase for Cash

Up To 100% of Its Outstanding Preferred Shares

(Virtus Convertible & Income Fund: Auction-Rate Preferred Shares Series A, Series B, Series C, Series D and Series E)

The undersigned acknowledge(s) receipt of the enclosed letter and the Offer to Purchase dated October 3, 2022 (the "Offer to Purchase") and related Letter of Transmittal in connection with an offer by the Fund, a Massachusetts business trust registered under the Investment Company Act of 1940, to purchase for cash up to 100% of its outstanding auction-rate preferred shares of beneficial interest, \$0.00001 par value and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares (with respect to the Fund, the "Preferred Shares").

This will instruct you to tender the number of Preferred Shares as indicated below (or if no number is indicated below, all the Preferred Shares) held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Purchase and related letter of transmittal.

<p>Fund Name: _____</p> <p>Series: _____</p> <p>CUSIP(S): _____</p> <p>Number of Preferred Shares to be Tendered: _____ amount of Preferred Shares*</p> <p>Dated _____, 2022</p> <p>If known:</p> <p>Auction Desk Contact Information:</p> <p>Name: _____</p> <p>Email Address: _____</p> <p>Broker-Dealer that provides instructions to Auction Agent: _____</p>	<p style="text-align: center;">SIGN HERE</p> <p>_____</p> <p>_____</p> <p style="text-align: center;">Signature(s)</p> <p>_____</p> <p style="text-align: center;">Please type or print name(s)</p> <p>_____</p> <p style="text-align: center;">Please type or print address</p> <p>_____</p> <p style="text-align: center;">Area Code and Telephone Number</p> <p>_____</p> <p style="text-align: center;">Social Security or other Taxpayer Identification Number</p>
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**PLEASE RETURN THIS FORM TO THE BROKERAGE
FIRM MAINTAINING YOUR ACCOUNT**

The method of delivery of this form is at the option and risk of the tendering holder of Preferred Shares. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

* Unless otherwise indicated, it will be assumed that all Preferred Shares held by us for your account are to be tendered. Specify series of Preferred Shares to be tendered and specify if not all Preferred Shares held by us for your account are to be tendered.

**Instructions for Withdrawal
of
Previously Tended Preferred Shares
of
Virtus Convertible & Income Fund
(the “Fund”)**

If you tendered to the Fund, a Massachusetts business trust registered under the Investment Company Act of 1940, in connection with the offer by the Fund to purchase for cash up to 100% of its outstanding preferred shares of beneficial interest, par value \$0.00001 per share and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares, (with respect to the Fund, the “Preferred Shares”), upon the terms and subject to the conditions set forth in the offer to purchase dated October 3, 2022 (the “Offer to Purchase”) and the Fund’s related letter of transmittal (the “Letter of Transmittal,” which, together with the Offer to Purchase, each as amended or supplemented from time to time, constitutes the Fund’s “Offer”), and you wish to withdraw all or any of your tendered Preferred Shares, please fill out the attached Notice of Withdrawal. If your Preferred Shares are registered in the name of your broker, dealer, commercial bank, trust company or other nominee (“Nominee Holder”), contact that Nominee Holder to withdraw your tendered Preferred Shares.

1. **Withdrawal.** If you have tendered your Preferred Shares pursuant to an Offer, you may withdraw your Preferred Shares previously tendered by completing, executing and sending the attached “Notice of Withdrawal” to the address set forth on the first page of the Notice of Withdrawal. If your Preferred Shares are registered in the name of your broker or other Nominee Holder, contact that Nominee Holder to withdraw your tendered Preferred Shares.

2. **Delivery of Notice of Withdrawal. Computershare Inc. (the “Depository”) must receive the Notice of Withdrawal prior to 5:00 p.m., New York City time, on November 1, 2022** (the “Expiration Date”), unless the Offer is extended. The method of delivery of any documents related to a withdrawal is at the option and risk of the withdrawing holder of Preferred Shares. Any documents related to a withdrawal will be deemed delivered only when actually received by the Depository. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery. If your Preferred Shares are registered in the name of your broker or other Nominee Holder, you may need to allow such Nominee Holder additional time to withdraw your tendered Preferred Shares. You should consult your broker or other Nominee Holder to determine if there is an earlier deadline by which you must inform such Nominee Holder of any decision to withdraw your tendered Preferred Shares.

3. **Procedures and Signature Guarantee.** The Notice of Withdrawal must specify the name of the Fund, name of the person who tendered the Preferred Shares to be withdrawn, the number of Preferred Shares to be withdrawn and the name of the registered holder of Preferred Shares, if different from that of the person who tendered such Preferred Shares. If the tendered Preferred Shares to be withdrawn have been delivered to the Depository, a signed notice of withdrawal or an Agent’s Message (as defined in the Offer to Purchase) with (except in the case of Preferred Shares tendered by an Eligible Institution (as defined below)) signatures guaranteed by an Eligible Institution must be submitted prior to the withdrawal of such Preferred Shares. In addition, such notice must specify the name and number of the account at The Depository Trust Company (the “Book-Entry Transfer Facility”) to be credited with the withdrawn Preferred Shares. An “Eligible Institution” is a financial institution (including most banks, savings and loan associations and brokerage houses) that is a member of a recognized Medallion Program approved by The Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP). If this Notice of Withdrawal is signed by trustees, executors, administrators, guardians, agents, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, should indicate location of signing and must submit proper evidence satisfactory to the Fund of their authority to so act.

NOTICE OF WITHDRAWAL

**of Preferred Shares
of
Virtus Convertible & Income Fund or
(the "Fund")**

(Virtus Convertible & Income Fund: Auction-Rate Preferred Shares Series A, Series B, Series C, Series D and Series E)

**Previously Tendered
Pursuant to the Offer to Purchase Dated October 3, 2022**

**THE WITHDRAWAL DEADLINE IS 5:00 P.M., NEW YORK CITY TIME, ON NOVEMBER 1, 2022,
UNLESS THE OFFER IS EXTENDED**

This Notice of Withdrawal is Submitted to:

Computershare Inc. 150 Royall Street Suite V Canton, MA 02021

Delivery by Mail should be directed to:

Computershare Inc. 150 Royall Street Suite V Canton, MA 02021

Delivery by Registered, Certified or Express Mail or Overnight
Courier or by Hand should be directed to:

Computershare Inc. 150 Royall Street Suite V Canton, MA 02021

If you have any questions regarding this Notice of Withdrawal, please contact Georgeson LLC at (866) 785-7395.

DESCRIPTION OF PREFERRED SHARES WITHDRAWN	
Enter the Name (and Series if applicable) of Fund:	
Name(s) and Address(es) of Registered Holder(s) (Please fill in, if blank)	Preferred Shares Withdrawn*
	1 <input type="checkbox"/> All
	2 <input type="checkbox"/> Partial: _____
*Unless otherwise indicated, it will be assumed that all Preferred Shares are being withdrawn.	

This Notice of Withdrawal is to be completed if you tendered Preferred Shares of the Fund in connection with an Offer by the Fund and wish to withdraw shares tendered.

CHECK HERE IF YOUR PREFERRED SHARES WERE TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE TENDER AGENT AND COMPLETE THE FOLLOWING. PLEASE ENCLOSE A PHOTOCOPY OF SUCH NOTICE OF GUARANTEED DELIVERY.

Name(s) of Registered Holder(s): _____
Window Ticket No. (if any): _____
Date of Execution of Notice of Guaranteed Delivery: _____
Name of Institution which Guaranteed Delivery: _____

Signatures are required on the next page.

**NOTE: SIGNATURE(S) MUST BE PROVIDED BELOW.
PLEASE READ THE INSTRUCTIONS SET FORTH IN THIS
NOTICE OF WITHDRAWAL CAREFULLY.**

Name of Fund: _____

Signature(s) of Owner(s): _____

Date: _____, 2022

Printed Names: _____

Capacity and Location Signed: _____

Address: _____

Guarantee of Signature(s)

(Required if Preferred Shares have been delivered to the Depository)

[For use by financial institutions only. Place medallion guarantee in space below.]

NOTICE OF GUARANTEED DELIVERY

To Tender Preferred Shares

Of

Virtus Convertible & Income Fund

(the “Fund”)

Pursuant to the Offer to Purchase

Dated October 3, 2022

This form, or a form substantially equivalent to this form, must be used to accept the Offer (as defined in the Letter of Transmittal), upon the terms and subject to the conditions set forth in the Offer Documents (as defined below), if the preferred shares of beneficial interest, par value \$0.00001 per share and liquidation preference of \$25,000 per share, designated Auction-Rate Preferred Shares (with respect to the Fund, the “Preferred Shares”), of the Fund, and/or all other documents required by the Fund’s Letter of Transmittal, cannot be delivered to the Depository (as defined in the Offer to Purchase, dated October 3, 2022 (the “Offer to Purchase”)) on or before 5:00 p.m., New York City time, November 1, 2022, or such later date to which the Offer is extended (the “Expiration Date”). Such form may be delivered by hand or mailed to the Depository, and must be received by the Depository on or before the Expiration Date. See Section 3, Procedures for Tendering ARPS, of the Offer to Purchase.

The Depository for the Offer is:

Computershare Inc.

Delivery by Mail should be directed to:

Computershare Inc.
Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

Delivery by Registered, Certified or Express Mail or Overnight
Courier or by Hand should be directed to:

Computershare Inc.
Corporate Actions
150 Royall Street
Suite V
Canton, MA 02021

Confirm by Telephone:
Georgeson LLC, (866) 785-7395.

**DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE
DOES NOT CONSTITUTE A VALID DELIVERY.**

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Fund’s Letter of Transmittal is required to be guaranteed by an “eligible guarantor institution” under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to the Fund named below, upon the terms and subject to the conditions set forth in its Offer to Purchase dated October 3, 2022 and the related Letter of Transmittal (which together, with respect to the Fund, constitute the "Offer Documents"), receipt of which is hereby acknowledged, Preferred Shares, pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase.

_____ Name of Fund	_____ Signature
<input type="checkbox"/> check here if the shares will be tendered by book-entry transfer	_____ Name(s) of Tendering Institution
_____ Number of Preferred Shares tendered	_____ (Address)
_____ DRS Transaction Advice Numbers (if applicable)	_____ (Zip Code)
_____ Account Number	_____ (Area Code and Telephone Number)

GUARANTEE
(Not to be used for signature guarantee)

The undersigned, a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized Medallion Program approved by The Securities Transfer Association, Inc., including the Securities Transfer Agents Medallion Program, or any other "Eligible Guarantor Institution" (as such term is defined in Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended), hereby (a) represents that the above named person(s) "own(s)" the Preferred Shares tendered hereby and (b) guarantees to deliver to the Depository (as defined in the Offer to Purchase) the Preferred Shares tendered hereby, together with a properly completed and duly executed Letter of Transmittal or, in the case of a book-entry delivery, an Agent's Message (as defined in the Offer to Purchase), and any other required documents, all within three trading days of the New York Stock Exchange after the date hereof.

The eligible institution that completes this Notice of Guaranteed Delivery must communicate the guarantee to the Depository (as defined in the Offer to Purchase) and must deliver all required documents to the Depository within the time period set forth in the Offer to Purchase. Failure to do so could result in a financial loss to the eligible institution.

(Name of Firm)

(Authorized Signature)

(Name)

(Address)

(Zip Code)

(Area Code and Telephone Number)

Dated: _____, 2022

TENDER OFFER AGREEMENT

This Agreement (“Agreement”) is made and entered into as of the 19th day of September, 2022, by and among Virtus Convertible & Income Fund (“NCV”), Virtus Convertible & Income Fund II (“NCZ” and, together with NCV, each, a “Fund” and, together, the “Funds”), Virtus Investment Advisers, Inc. (“Virtus” and, together with the Funds, the “Fund Parties”) and UBS Securities LLC (“UBS”).

WHEREAS, UBS is a substantial holder of auction rate preferred shares issued by NCV and NCZ, each a closed-end investment company registered under the Investment Company Act of 1940, as amended, for which Virtus serves as investment manager (“ARPS”);

WHEREAS, UBS has engaged in discussions with the Fund Parties regarding a proposal that each Fund conduct an issuer tender offer for its ARPS (the “Discussions”), and in that connection entered into an agreement dated July 22, 2022, regarding confidentiality obligations with respect to the Discussions (the “Confidentiality Agreement”).

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Tender Offers.** With respect to each Fund, in consideration of the agreements by UBS set forth in Section 2 below and subject to satisfaction by UBS of its obligations under Section 2 below, the Fund Parties (each Fund with respect to itself only) agree to conduct a tender offer by each Fund for 100% of its issued and outstanding ARPS at a price equal to 97.95% of the \$25,000 per share liquidation preference of the ARPS (*i.e.*, a tender offer of \$24,487.50 per ARPS share), scheduled to expire as of the close of the New York Stock Exchange on or about the date specified in the Offer to Purchase filed with the Securities and Exchange Commission on Schedule TO (such date, as it may be extended in accordance with the terms of the Tender Offers, the “Expiration Date”), subject only to substantially the same conditions as are set forth in Appendix A hereto (each, a “Tender Offer” and, collectively, the “Tender Offers”). Each Fund (with respect to itself only) hereby agrees that if, as of the Expiration Date of its Tender Offer, all of such conditions are satisfied, it shall accept for payment all ARPS properly tendered pursuant to its Tender Offer.

2. **Agreements and Obligations of UBS.**

(a) UBS hereby agrees and undertakes that, with respect to each Fund, if a Tender Offer is conducted by the Fund, UBS shall tender one-hundred percent (100%) of its holdings of the ARPS of the Fund within ten business days of the commencement of such Tender Offer, such that UBS would have no holdings in the Fund’s ARPS following completion of the Fund’s acceptance and purchase of the ARPS under the Tender Offer.

(b) [Intentionally omitted.]

3. Release of Any Claims; Covenants Not to Sue.

(a) Subject to and upon completion of the Tender Offers, UBS, on behalf of itself, its heirs, beneficiaries, administrators, personal representatives, successors, assigns, parents, subsidiaries, shareholders, affiliates, and predecessors, as applicable, in exchange for the agreements and other consideration in this Agreement, (i) does hereby compromise, settle, and absolutely, unconditionally, and fully release and forever discharge each of the Fund Parties and their current and former respective successors, parents, subsidiaries, affiliates, employees, officers, directors, trustees, managers, investors and shareholders, and each of their respective attorneys, administrators, personal representatives, insurers and assigns (together, the “Released Fund Parties”) of and from any and all claims, demands, debts, liens, obligations, fees and expenses, harm, injuries, liabilities, cause or causes of action, whether known or unknown, claimed or alleged, asserted or unasserted, either at law or in equity, whether statutory, in contract or in tort, of any kind or character which it has, or owns, or may now or in the future have or own for any claims arising out of or relating in any way to the Discussions, the Tender Offer or UBS’s acquisition of, transactions in, ownership of or holdings in the Funds’ ARPS and (ii) acknowledges and agrees that it will not now or in the future bring any claim, action, lawsuit, arbitration proceeding or other form of action against any of the Released Fund Parties, directly or indirectly, arising out of or in any way connected with any claim or potential claim released under this Agreement as referenced in sub-paragraph 3(a) (i) above, and that this Agreement is a bar to any such claim, action, lawsuit, proceeding or other form of action.

(b) Subject to and upon completion of the Tender Offers and satisfaction or permanent waiver of the New Preferred Share Condition, each of the Fund Parties, on behalf of itself, its heirs, beneficiaries, administrators, personal representatives, successors, assigns, parents, subsidiaries, shareholders, affiliates, and predecessors, as applicable, in exchange for the agreements and other consideration in this Agreement, (i) does hereby compromise, settle, and absolutely, unconditionally, and fully release and forever discharge UBS and its current and former respective successors, parents, subsidiaries, affiliates, employees, officers, directors, trustees, managers, investors and shareholders, and each of their respective attorneys, administrators, personal representatives, insurers and assigns (together, the “Released UBS Parties”) of and from any and all claims, demands, debts, liens, obligations, fees and expenses, harm, injuries, liabilities, cause or causes of action, whether known or unknown, claimed or alleged, asserted or unasserted, either at law or in equity, whether statutory, in contract or in tort, of any kind or character which it has, or owns, or may now or in the future have or own for any claims arising out of or relating in any way to the Discussions, the Tender Offers or UBS’s acquisition of, transactions in, ownership of or holdings in the Funds’ ARPS and (ii) acknowledges and agrees that it will not now or in the future bring any claim, action, lawsuit, arbitration proceeding or other form of action against any of the Released UBS Parties, directly or indirectly, arising out of or in any way connected with any claim or potential claim released under this Agreement as referenced in sub-paragraph 3(b)(i) above, and that this Agreement is a bar to any such claim, action, lawsuit, proceeding or other form of action.

(c) UBS and the Fund Parties acknowledge and agree that the releases and covenants provided in this Section 3 are in no way an admission or acknowledgment of any liabilities, claims or causes of action that one party may have against the other.

(d) The provisions of Section 3(a) and Section 3(b) shall not be deemed to preclude any claim by any party hereto alleging a breach of the terms of this Agreement.

4. **Injunctive Relief.** Each party acknowledges that a breach of its obligations under this Agreement may result in irreparable harm to the other party for which monetary damages may not be sufficient. Each party hereto agrees that, in the event of a breach or threatened breach by the other party of its obligations under this Agreement, the non-breaching party shall be entitled, in addition to its other rights and remedies hereunder or at law, to seek injunctive or other equitable relief, and such further relief as may be proper from a court of competent jurisdiction, including specific performance of the obligations set forth in Section 2 of this Agreement.

5. **Confidentiality.** UBS and the Fund Parties hereby agree that the Confidentiality Agreement shall apply to the matters contemplated by this Agreement and to the Funds (to the extent the Funds are not bound by the Confidentiality Agreement), subject, for the avoidance of doubt, to the final sentence of this paragraph. To the extent that the Confidentiality Agreement expires prior to the termination of this Agreement, UBS and the Fund Parties agree that the term of the Confidentiality Agreement and the respective obligations thereunder shall be extended to be coterminous with the term of this Agreement under Section 6 hereof; provided, however, that the Fund Parties may disclose the subject matter of the Tender Offers to third parties, including to other holders of the Funds' ARPS and to service providers and agents who may be engaged to assist in conducting the Tender Offers, before the Tender Offers are publicly announced. For the avoidance of doubt, UBS acknowledges that each Fund will be required to file a copy of this Agreement with its Form TO filings in connection with its Tender Offer and UBS and the Fund Parties agree, for the avoidance of doubt, that the Fund Parties shall have no confidentiality obligations with respect to the information that has been so disclosed.

6. **Term.** This Agreement shall terminate on the earliest of (i) the close of the New York Stock Exchange on the business day next following the Expiration Date, if the Funds have not accepted validly tendered ARPS for purchase pursuant to the Tender Offers by such time, (ii) the date on which all validly tendered ARPS have been accepted and purchased under the Tender Offers; and (iii) December 31, 2022. In the case of termination of this Agreement pursuant to Section 6(i), all provisions of this Agreement shall terminate and have no further force or effect upon such termination, except that the confidentiality obligations of the parties under Section 5 hereof shall survive the termination of this Agreement for a period of one year from the date of the Confidentiality Agreement. For the avoidance of doubt, unless the parties thereto otherwise agree, the Confidentiality Agreement shall survive by its terms, notwithstanding any earlier termination of this Agreement. In the case of termination of this Agreement pursuant to Section 6(ii), the obligations of the parties under Sections 1, 2, 3 and 4 hereof shall survive the termination of this Agreement.

7. **Miscellaneous.**

(a) **Notices.** Any notices or other communications required or permitted hereunder will be deemed to have been properly given and delivered if in writing by such party or its legal representative and successfully delivered personally or sent by facsimile, e-mail or other electronic communication, or by a nationally recognized overnight courier service guaranteeing overnight delivery, addressed as follows:

If to UBS:	UBS Securities LLC 1285 Avenue of the Americas New York, NY 10019 Attention: Jignesh Doshi Jignesh.doshi@ubs.com
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If to Virtus: Virtus Investment Advisers, Inc.
One Financial Plaza
Hartford, CT 06103
Attention: Nikita Thaker
nikita.thaker@virtus.com

If to a Fund: [Applicable Fund name]
One Financial Plaza
Hartford, CT 06103
Attention: Fund Secretary
jennifer.fromm@virtus.com

(b) **No Assignment; Binding Effect.** No party shall assign this Agreement or its rights hereunder without the express written consent of the other parties. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective heirs, legal representatives, executors, administrators, successors and assigns.

(c) **Agreement Separable.** If any provision hereof is for any reason unenforceable or inapplicable, the other provisions hereof will remain in full force and effect in the same manner as if such unenforceable or inapplicable provision had never been contained herein. This Agreement will not be binding on the parties unless and until it is approved on behalf of each Fund by action of its Board of Trustees (the "Board"). In that regard Virtus, in its capacity as investment adviser for each Fund, will recommend that the Board approve this Agreement.

(d) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will, for all purposes, be deemed to be an original. Facsimile or electronic signatures shall have the same force and effect as executed originals.

(e) **Governing Law.** This Agreement is governed by the laws of the State of New York, without regard to the principles of conflicts of laws or choice of laws of any state or commonwealth. Each party submits to the exclusive jurisdiction of, and acknowledges the propriety of venue in, the United States District Court for the Southern District of New York sitting in New York County, New York, and its appellate courts, as well as any Courts of the State of New York sitting in New York County, New York, and the appellate courts thereof. To the extent not prohibited by applicable law that cannot be waived, the parties hereby waive, and covenant that they will not assert (whether as plaintiff, defendant or otherwise), any right to trial by jury in any action arising in whole or in part under or in connection with this Agreement, whether now existing or hereafter arising, and whether sounding in contract, tort or otherwise. The parties agree that any of them may file a copy of this Section 7(e) with any court as written evidence of the knowing, voluntary and bargained-for agreement between the parties each irrevocably to waive its right to trial by jury in any proceeding whatsoever between them relating to this Agreement, which will instead be tried in a court of competent jurisdiction by a judge sitting without a jury.

(f) **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the matters set forth herein, and there are no other covenants, agreements, promises, terms and provisions, conditions, undertakings or understandings, either oral or written, among them other than those herein set forth. No subsequent alteration, amendment, change, deletion or addition to this Agreement shall be binding upon the parties unless in writing and signed by the parties.

(g) **Further Assurances.** Each party covenants, on behalf of itself and its successors and assigns, to take all actions and do all things, and to promptly and duly execute, acknowledge and deliver any and all such further instruments and documents necessary or proper to achieve the purposes and objectives of this Agreement.

(h) **Massachusetts Business Trust Matters.** A copy of the Agreement and Declaration of Trust of each Fund is on file with the Secretary of State of The Commonwealth of Massachusetts, and notice is hereby given that this instrument is executed on behalf of the Trustees of each Fund as Trustees and not individually and that the obligations of each Fund under this instrument are not binding upon any of the Trustees, officers or shareholders of the Fund individually, but are binding only upon the assets and property of the Fund.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above, and each party represents and acknowledges that it possesses the requisite authority to execute this Agreement.

Virtus Convertible & Income Fund

By: _____
Title:
Date:

Virtus Convertible & Income Fund II

By: _____
Title:
Date:

Virtus Investment Advisers, Inc.

By: _____
Title:
Date:

UBS Securities LLC

By: _____
Title:

By: _____
Title:

Date:

APPENDIX A

TENDER OFFER CONDITIONS:

It is a condition to each Fund's Tender Offer that each Fund cannot accept tenders or effect repurchases of ARPS, unless otherwise determined by the Fund's Board if: (1) such transactions, if consummated, would (a) result in delisting of the Fund's common shares from the New York Stock Exchange; (b) impair the Fund's status as a regulated investment company under the Internal Revenue Code of 1986 (which would make the Fund subject to federal income tax on all of its net income and gains in addition to the taxation of shareholders who receive distributions from the Fund); or (c) result in a failure of the Fund to comply with any applicable asset coverage requirements in the event any senior securities are issued and outstanding; (2) there shall be instituted or pending before any governmental entity or court any action, proceeding, application or claim, or any judgment, order or injunction sought, or any other action taken by any person or entity, which (a) restrains, prohibits or materially delays the making or consummation of the tender offer; (b) challenges the acquisition by the Fund of ARPS pursuant to the tender offer or the Board's fulfillment of its fiduciary obligations in connection with the tender offer; (c) seeks to obtain any material amount of damages in connection with the tender offer; or (d) otherwise directly or indirectly materially adversely affects the tender offer or the Fund; or (3) there is any (a) suspension of or limitation on prices for trading securities generally on the New York Stock Exchange or other national securities exchange(s); (b) declaration of a banking moratorium by Federal or state authorities or any suspension of payment by banks in the United States or New York State; or (c) limitation affecting the Fund or the issuers of its portfolio securities imposed by federal or state authorities on the extension of credit by lending institutions.



Virtus Convertible & Income Fund, Virtus Convertible & Income Fund II Commence Tender Offers for Outstanding Auction Rate Preferred Shares

HARTFORD, CT, October 3, 2022 –[Virtus Convertible & Income Fund](#) (NCV) and [Virtus Convertible & Income Fund II](#) (NCZ) (each, a “Fund” and, together, the “Funds”), announced that each Fund today commenced a voluntary tender offer (each, a “Tender Offer” and, together, the “Tender Offers”) for up to 100% of its outstanding auction rate preferred shares (“ARPS”), at a price equal to 97.95% of the ARPS per share liquidation preference of \$25,000 per share (or \$24,487.50 per share), plus any unpaid ARPS dividends accrued through the expiration date of each Tender Offer.

The Tender Offers commenced today at 12:01 a.m. Eastern Time and will expire at 11:59 p.m. Eastern Time on November 1, 2022, unless otherwise extended. It is expected that the payment of the tender offer proceeds will be made as soon as practicable after the expiration date of the Tender Offers, or such later date to which the Tender Offers may be extended.

This announcement is not a recommendation, an offer to purchase, or a solicitation of an offer to sell the ARPS of the Funds. The Funds will file with the Securities and Exchange Commission (“SEC”) a tender offer statement on Schedule TO and related exhibits, including an offer to purchase, a related letter of transmittal and other related documents (the “Tender Offer Documents”). The Tender Offer Documents were mailed or distributed electronically to ARPS holders starting today. These and other filed documents also will be available to ARPS holders free of charge on the [SEC’s website](#) and on each Fund’s page in the [closed-end fund](#) section of [virtus.com](#). ARPS holders may obtain further information regarding the Tender Offers from Georgeson LLC, the Funds’ Depository Agent and Information Agent for the Tender Offers, by calling (866) 785-7395 for NCV and (866) 857-2624 for NCZ.

About the Fund

[Virtus Convertible & Income Fund](#) and [Virtus Convertible & Income Fund II](#) each have an investment objective to provide total return through a combination of capital appreciation and high current income. Virtus Investment Advisers, Inc. is the investment adviser and [Voya Investment Management](#) is the subadviser to the Funds. For more information on the Funds, contact Shareholder Services at (866) 270-7788, by email at closedendfunds@virtus.com, or through the [closed-end funds](#) section of [virtus.com](#).

Fund Risks

An investment in a fund is subject to risk, including the risk of possible loss of principal. A fund's shares may be worth less upon their sale than what an investor paid for them. Shares of closed-end funds may trade at a premium or discount to their net asset value. For more information about the Fund's investment objective and risks, please see the Fund's annual report. A copy of the Fund's most recent annual report may be obtained free of charge by contacting Shareholder Services as set forth at the bottom of this press release.

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For Further Information:

Shareholder Services

(866) 270-7788

closedendfunds@virtus.com