



**VIRTUS INVESTMENT PARTNERS, INC.**

**BOARD OF DIRECTORS**

**CATEGORICAL INDEPENDENCE STANDARDS**

The Board of Directors, upon recommendation of the Governance Committee of the Board, has adopted a resolution determining that the following categories of relationships are immaterial for purposes of determining whether a director is “independent” for purposes of the listing standards adopted by The Nasdaq Stock Market (“Nasdaq”). If a particular relationship does not fall within any of the following categories the Board will review the relationship in light of the individual circumstances of the director.

**1. Investment relationships with the Company**

The director and any family member may own equity or other securities of the Company or any of its subsidiaries (collectively, the “Company”).

**2. Other business relationships with the Company**

The director and any family member may purchase or receive wealth management, investment management or other products and services from the Company unless the terms thereof are more favorable to the director or an immediate family member (within the meaning of Nasdaq listing standards) than those prevailing at the time for comparable products or services provided to or received by other persons without such a relationship. Products and services provided to directors as part of their compensation for or in connection with their fulfillment of their duties and responsibilities as directors are also permitted.

**3. Employment and compensation relationships with the Company**

The director and any family member may only have an employment relationship with the Company or receive compensation from the Company to the limited extent permitted by Nasdaq listing standards.

The director and any family member may only have an employment relationship or affiliation with a present or former auditor of the Company or with an entity that has or had an executive officer of the Company serving on its compensation committee to the limited extent permitted by Nasdaq listing standards.

#### **4. Relationships with other business entities**

The director and any family member may not have relationships with a business entity where both (1) the director's relationship to the business entity is material and (2) the Company's relationship to the business entity is material.

- For purposes of clause (1), a director's relationship to a business entity is material if the director or an immediate family member is an executive officer, owner of more than 5% of the equity or voting interests in that entity, the holder of debt representing more than 5% of consolidated assets of the entity or a general partner of the entity.
- For purposes of clause (2), the Company's relationship to a business entity is material if any of the following apply:
  1. The entity is a party to a relationship or transaction with the Company that (a) is not on substantially the same terms as those prevailing at the time for comparable transactions by the Company with other entities not having such a relationship with the director or his or her family member or (b) if terminated in the ordinary course of business, could reasonably be expected to have a material adverse effect on the business entity.
  2. The entity made payments to, or received payments from, the Company for property or services in an amount that, in any single fiscal year during the last three years, exceeded the greater of \$200,000, or 5% of the recipient's consolidated gross revenues, other than (i) payments arising solely from investments in the Company's securities; or (ii) payments under non-discretionary charitable contribution matching programs.

#### **5. Relationships with not-for-profit entities**

The director and any family member may have relationships with a not-for-profit entity only if either (1) the director's relationship to the not-for-profit entity is immaterial or (2) the Company's relationship to the not-for-profit entity is immaterial.

- For purposes of clause (1), a director's relationship to a not-for-profit entity is material if the director or an immediate family member is a director or executive officer of the not-for-profit entity.
- For purposes of clause (2), the Company's relationship to a not-for-profit entity is material if the Company makes contributions in an amount that, in any single fiscal year during the last three years, exceeds the greater of the greater of \$200,000, or 5% of the not-for-profit entity's revenues.