

STONE HARBOR CLOSED-END FUNDS AUDIT COMMITTEE CHARTER

The Board of Trustees (the “Board”) of each of the U.S. registered closed-end investment companies (the “Funds”) managed by Stone Harbor Investment Partners LP (“Stone Harbor” or the “Adviser”) has adopted this Charter to govern the activities of the Audit Committee (the “Committee”) of the Board.

PURPOSES

The Committee’s primary purposes are:

Audit. To oversee the accounting and financial reporting policies and practices of the Funds, including by assisting with the Board’s oversight of the integrity of the Funds’ financial statements, the Funds’ compliance with legal and regulatory requirements related to each Fund’s financial reporting and internal controls, the qualifications and independence of each Fund’s independent accountants, and the performance of each Fund’s internal control systems and independent accountants. The Committee’s purpose is also to prepare reports required by Securities and Exchange Commission rules to be included in each Fund’s annual proxy statements, if any.

Compliance. To oversee regulatory and fiduciary compliance matters involving the Funds as well as Funds-related activities of the Funds’ investment adviser, administrator, principal distributor and transfer agent (together, “Applicable Fund Service Providers”).

The Committee’s function is oversight. The authority and responsibilities of the Committee set forth in this Charter do not reflect or create any duty, obligation or responsibility of the Committee to plan or conduct Fund audits, to prepare or determine or certify that each Fund’s financial statements are complete, accurate, fairly presented, or in accordance with generally accepted accounting principles or applicable law, or to assure compliance with laws, regulations or any internal rules or policies of the Funds. The Committee’s oversight role does not provide any expert or special assurance as to each Fund’s financial statements or other financial information provided by the Funds to their shareholders, and it is not the Committee’s responsibility to guarantee any independent accountant’s report. Fund management is responsible for Fund accounting and the implementation and maintenance of each Fund’s internal control systems, and the independent accountants are responsible for conducting a proper audit of each Fund’s financial statements and for reviewing each Fund’s unaudited interim financial statements. Members of the Committee are not, and do not hold themselves out to be, acting as accountants or auditors. As such, it is not the duty or responsibility of the Committee or its members to conduct “field work” or other types of auditing or accounting reviews or procedures. Each member of the Committee shall be entitled to rely on (i) the integrity of those persons and organizations within management and outside the Funds from which the Committee receives information and (ii) the accuracy of financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary.

It is understood that the designation of a person as an “audit committee financial expert,” within the meaning of the rules adopted and implemented under Section 407 of the Sarbanes-Oxley Act of 2002, shall not impose any greater responsibility or liability on that person than the responsibility and liability imposed on such person as a member of the Committee, nor does it decrease the duties and obligations of other Committee members or the Board.

RESPONSIBILITIES

Audit. In carrying out its responsibilities with respect to audit- and accounting-related matters, the policies and procedures of the Committee shall remain flexible in order to react best to changing conditions and to provide comfort to the Trustees and shareholders that the corporate accounting and reporting practices of the Funds are, in all material respects, in accordance with applicable requirements and are appropriate and of high quality.

The responsibilities of the Committee include:

- To determine the selection, retention or termination of each Fund’s independent public accountants (“IPA”) based on an evaluation of their independence and the nature and performance of the audit and any permitted non-audit services. Decisions by the Committee concerning the selection, retention or termination of the independent auditors shall be submitted to the Board for ratification in accordance with the requirements of Section 32(a) of the Investment Company Act of 1940, as amended (the “1940 Act”). The IPA must report directly to the Committee, which shall be responsible for resolution of disagreements between management and the IPA relating to financial reporting.
- To consider the independence of the IPA at least annually, and in connection therewith receive on a periodic basis formal written disclosures and letters from the independent auditors as required by Public Company Accounting Oversight Board (PCAOB) Ethics and Independence Rule 3526. The Committee must discuss that independence with management as well as the IPA, and receive from the IPA specific representations as to its independence and as to any non-audit services provided to entities in the same investment company complex as the Funds.
- To the extent required by applicable regulations, to pre-approve all audit and permitted non-audit services rendered to each Fund by the IPA and all non-audit services rendered by the IPA to the Funds’ investment adviser and to certain of such adviser’s affiliates. The Committee may establish policies and procedures pursuant to which such pre-approval is granted, which may include pre-approval by other than the full Committee, so long as the full Committee is notified thereafter.
- To review the fees paid to the IPA in view of the scope of the services provided, and approve any significant services proposed which are in addition to the audit examination engagement.
- To meet with the IPA and financial management of the Funds to review the scope of the proposed audit for the current year.

- To the extent that the Funds intend to have employees, to set clear policies for the hiring by the Funds of employees or former employees of the IPA.
- To obtain and review at least annually a report from the IPA describing (i) the IPA's internal quality-control procedures; (ii) any material issues raised (a) by the IPA's most recent internal quality-control review or peer review or (b) by any governmental or other professional inquiry or investigation performed within the preceding five years respecting one or more independent audits carried out by the firm, and any steps taken to address any such issues; and (iii) to assess the IPA's independence, all relationships between the IPA and the listed company.
- To review with the IPA, the Funds' Chief Compliance Officer, and management financial and accounting personnel, in each case as appropriate, the adequacy and effectiveness of the accounting and financial controls of the Funds, and to elicit any recommendations for the improvement of such internal control procedures, or particular areas where new or more detailed controls or procedures are desirable. Further, the Committee shall be notified by Fund management of any new policy statements of the Funds that may affect the Funds' accounting policies or principles and shall have the opportunity to discuss with Fund management the effect of such changes.
- To review with the IPA any audit problems or difficulties encountered in the course of their audit work and management's responses thereto.
- To meet with management and the IPA to review and discuss each Fund's annual audited financial statements, including a review of any specific disclosures of management's discussion of each Fund's investment performance; and, with respect to each Fund's audited financial statements, discuss with the IPA matters required by Statement on Auditing Standards No. 114 and any other matters required to be reported to the Committee under applicable law; provide any required statement as to whether, based on its review of each Fund's audited financial statements, the Committee recommends to the Board that the audited financial statements be included in each Fund's Annual Report; and meet with management to review and discuss each Fund's unaudited financial statements included in the semi-annual report, including, if any, a review of any specific disclosure of management's discussion of each Fund's investment performance.
- To provide such opportunity as the Committee deems appropriate for the IPA to meet with the members of the Committee without members of management present. In such discussions, the Committee may receive from the IPA information regarding each Fund's significant accounting policies (including the results under alternative treatments relating to material items) and conclusions regarding significant accounting estimates, and whether the financial statements reflect appropriate accounting principles; and may receive a report on the IPA's evaluation of each Fund's ability and effectiveness in maintaining adequate financial records and controls, as well as a description of the cooperation which the IPA received during the course of the audit engagement.
- To discuss with management any press releases discussing a Fund's investment performance and other financial information about the Fund, as well as any financial information provided by management to analysts or rating agencies. The Committee may

discharge this responsibility by discussing the general types of information to be disclosed by a Fund and the form of presentation (*i.e.*, a case-by-case review is not required) and need not discuss in advance each such release of information.

- To establish procedures for (i) the receipt, retention, and treatment of complaints received by the Funds regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Funds, the Applicable Fund Service Providers or any other provider of accounting-related services for the investment adviser of concerns regarding accounting or auditing matters.
- To review with management and, as applicable, with the IPA each Fund's accounting and financial reporting policies, practices and internal controls, management's guidelines and policies with respect to risk assessment and risk management, including the effect on each Fund of any recommendation of changes in accounting principles or practices by management or the IPA.
- To report to the Board on a regular basis (at least annually) on the Committee's activities.

Compliance. To the extent determined by the Board, the responsibilities of the Committee may also include:

- To provide oversight with respect to regulatory and fiduciary compliance matters involving the Funds, as well as Fund-related activities of Applicable Fund Service Providers.
- To review and make recommendations to the Board regarding its approval and periodic review in accordance with applicable law of each Fund's compliance policies and procedures as well as compliance policies and procedures of Applicable Fund Service Providers required to be approved by the Board.

General.

- To report to the full Board periodically and as otherwise requested by the Board as to the Committee's activities.
- To discharge any other duties or responsibilities delegated to the Committee by the Board from time to time.

MEETINGS

At least annually, the Committee shall meet separately with the IPA, with Fund management, and with the representatives of Fund management responsible for the financial and accounting operations of the Funds. The Committee shall hold other regular or special meetings as and when it deems necessary or appropriate.

OPERATING GUIDELINES

The Committee shall be comprised of as many trustees as the Board shall determine, but in any event not less than three (3) Trustees. Each member of the Committee must be a member of the Board. The Board may remove or replace any member of the Committee at any time in its sole discretion. One or more members of the Committee may be designated by the Board as the Committee's chairman or co-chairman, as the case may be. Members of the Committee may participate in a meeting of the Committee by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and the committee may act by written consent to the extent permitted by applicable law, any applicable rules of a self regulatory organization such as the New York Stock Exchange ("NYSE"), and a Fund's bylaws.

No member of the Committee may be an "interested person" of the Funds, as defined in Section 2(a)(19) of the 1940 Act, and each member must otherwise satisfy the standards for independence of an audit committee member of an investment company issuer as set forth in Rule 10A-3(b) (taking into account any exceptions to those requirements set forth in such rule) under the Securities Exchange Act of 1934, as amended, and under applicable listing standards of the NYSE. Each member of the Committee must be "financially literate" (or must become so within a reasonable time after his or her appointment to the Committee) and at least one member of the Committee must have "accounting or related financial management expertise," in each case as the Board interprets such qualification in its business judgment under NYSE listing standards.

The appropriate officers of the Funds shall provide or arrange to provide such information, data, and services as the Committee may request. The Committee shall have the authority to engage, at a Fund's expense, independent counsel and other experts and consultants whose expertise the Committee considers necessary or appropriate to carry out its responsibilities. Each Fund shall provide for appropriate funding, as determined by the Committee, for the payment of: (i) compensation of the Fund's independent auditors for the issuance of an audit report relating to the Fund's financial statements or the performance of other audit, review or attest services for the Fund; (ii) compensation of independent legal counsel or other advisers retained by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in fulfilling its purposes or carrying out its responsibilities under this Charter.

ANNUAL EVALUATIONS

The Committee shall review and reassess the adequacy of this Charter at least annually and recommend any changes to the Board. In addition, the performance of the Committee shall be reviewed at least annually by the Board.

Last reviewed July 2014