

## **Dividend and Income Fund Rights Offering Expiration**

NEW YORK, NY – December 21, 2011 – The Dividend and Income Fund, Inc. (NYSE: DNI) (NAV: XDNIX) (the “Fund”) non-transferable rights offering to its holders of common stock (the “Shares”) as of the close of business on November 14, 2011 (the “Record Date”) is scheduled to expire on Friday, December 23, 2011, unless terminated or extended (“Expiration Date”), at 5:00 p.m., ET.

The rights offering provides existing Fund stockholders with the opportunity to purchase additional Shares at a price below both market and net asset value (“NAV”) without paying any commissions. The subscription price per Share will be 95% of the lower of (a) the Fund’s NAV per Share or (b) the market price per Share. For this purpose, the NAV per Share will be determined as of the Expiration Date. The market price per Share will be the average of the volume weighted average sales price of a Share on the New York Stock Exchange on the Expiration Date and the four preceding trading days.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, or an exemption therefrom. A prospectus containing further information regarding the Fund may be obtained by contacting the information agent for the Fund's rights offering, The Altman Group, toll free at 1-877-732-3616. For further information regarding the rights offering, stockholders should call their brokers or nominees or The Altman Group.

The Fund is a diversified, closed end investment company. The Fund’s primary investment objective is to seek high current income. Capital appreciation is a secondary objective. Bexil Advisers LLC is the Fund’s investment manager. Investors should consider the Fund’s investment objectives, strategies, risks, and expenses carefully before investing. This information, and other information concerning the Fund, can be found on file with the U.S. Securities and Exchange Commission and at [www.dividendandincomefund.com](http://www.dividendandincomefund.com). An investor should carefully read the registration statement before investing.

### **Safe Harbor Note**

This release contains certain “forward looking statements” made pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Fund, which may cause the Fund’s actual results to be materially different from those expressed or implied by such statements. The forward looking statements made herein are only made as of the date of this announcement, and the Fund undertakes no obligation to publicly update such forward looking statements to reflect subsequent events or circumstances.

Contact: The Altman Group, Inc.  
Dividend and Income Fund Information Line  
1-877-732-3616

Thomas O'Malley  
Chief Financial Officer  
1-212-785-0400, ext. 267  
[tomalley@DividendandIncomeFund.com](mailto:tomalley@DividendandIncomeFund.com)

-END-