

DIVIDEND AND INCOME FUND
FILES FOR POTENTIAL RIGHTS OFFERING

NEW YORK – July 3, 2013 – [Dividend and Income Fund](#) (NYSE: DNI) (NAV: XDNIX) (the “Fund”) today announced that it has filed a preliminary registration statement with the U.S. Securities and Exchange Commission for a potential non-transferable rights offering by the Fund to its shareholders. Under the proposed rights offering, each shareholder of record would receive one right for each share held on the record date. At least three rights will be required to acquire one additional share of the Fund. The subscription price is expected to be below both the market price and net asset value on the pricing date for the rights offering. Shareholders of record on the record date for the rights offering are expected to be entitled to oversubscribe, subject to certain limitations and subject to allotment, for additional shares pursuant to an over-subscription privilege. Other aspects of the rights offering, including the offering period, expiration date, subscription price, and record date, have yet to be determined. The Fund reserves the right to delay or cancel the rights offering.

This announcement is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted. The offer and sale of any securities will be made only by means of a prospectus and only after the registration statement filed with the U.S. Securities and Exchange Commission has been declared effective. The information in this announcement is not complete and is subject to change.

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 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 release, and the Fund undertakes no obligation to publicly update such forward looking statements to reflect subsequent events or circumstances.

Contact: Thomas O’Malley
Chief Financial Officer
1-212-785-0400, ext. 267
tomalley@DividendandIncomeFund.com
www.DividendandIncomeFund.com

-END-