

<b>B #:</b>	0268-13
<b>Date:</b>	03/04/13
<b>To:</b>	All Participants
<b>Category:</b>	Dividends
<b>From:</b>	Supervisor, Stock Dividend Department
<b>Attention:</b>	Dividend Managers, Cashiers, and Reorganization Managers
<b>Subject:</b>	Optional Dividend Multiple Issues: <b>H&amp;Q Life Science Investors</b> CUSIP: 404053100 Rate: \$0.30 per share <b>H&amp;Q Healthcare Investors</b> CUSIP: 404052102 Rate: \$0.37 per share <b>Record Date:</b> 03/01/13 <b>Payable Date:</b> 03/28/13 <b>DTC EDS Cut-Off:</b> 03/18/13 no later than 8:00 P.M. New York time

\*\*\*\*\*WARNING TIME CRITICAL\*\*\*\*\*

H&Q Life Science Investors and H&Q Healthcare Investors have declared a stock distribution of \$0.30 per share in stock or cash of H&Q Life Science Investors and \$0.37 per share in stock or cash of H&Q HealthCare Investors. The distribution is payable to stockholders of record at the close of business on 03/01/13.

**Stock Option #1:** Shareholders may elect to receive newly issued shares of **H&Q Life Sciences Inv., CUSIP 404053100** for **\$0.30** per common share; **\$0.37** per common share of **H&Q Healthcare Inv. CUSIP 404052102**. Fractional shares will be paid in cash at DTC participant level (default).

**Cash Option # 2:** You may elect to receive cash of **\$0.30 per common share of CUSIP 404053100**; cash at **\$0.37 per common share of CUSIP 404052102**.

The number of shares to be issued will be determined by dividing the total dollar amount of the distribution by the market value per share of the Fund's shares on 03/20/13 or by the net asset value per share on that date, whichever is lower. The market value of the Fund's shares for this purpose will be the last sales price on the New York Stock Exchange on 03/20/13.

**PARTICIPANTS SHOULD SUBMIT ELECTION INSTRUCTIONS OVER THE PARTICIPANT TERMINAL SYSTEM (PTS) THROUGH THE ELECTIVE DIVIDEND SYSTEM (EDS) FUNCTION.**

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**B# 0268-13**

To confirm record date history and payment information, participants should access the Dividend and Allocation History (DPAL) Menu Option, via the PTS Dividend Announcements Inquiry function (DIVA).

Participants not responding to the above options by **03/18/13** no later than 8:00 P.M. New York time will receive the dividend in the form of stock and cash of fractional shares; this is in accordance with **Option #1 (default)**.

If there are any questions regarding this Important Notice, or the processing of related instructions via EDS, participants should contact DTC's Customer Help Line at (888) 382-2721.

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