



B #:	2182-13
Date:	01/02/2014
To:	All Participants
Category:	Dividends
From:	Supervisor, Stock Dividend Department
Attention:	Dividend Managers, Cashiers, and Reorganization Managers
Subject:	Optional Dividend: Mexico Equity and Income Fund PFD CUSIP: 592834204 (Pays Common Stock CUSIP 592834105) R/D 12/30/2013 P/D 01/28/2014 Rate: \$2.12644 per share DTC EDS Cut-off: 01/16/2014 8:00 p.m. New York City time.

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

Mexico Equity and Income Fund, Preferred has declared a distribution of combined \$2.12644 per share payable to its stockholders of record at the close of business on 12/30/2013. The \$2.12644 dividend is comprised of \$1.64984 in Short-Term Capital Gains and \$0.47660 in Long-Term Capital Gains.

EFFECT OF CASH LIMITATION

Per Mexico Equity and Income Fund Inc., the dividend will be payable in cash and/or shares of common stock at the election of the stockholder and subject to a cash limit. Stockholders who elect to receive the dividend in cash may receive up to \$2.12644 per share in cash; however, the company will limit the amount of cash payable pursuant to the dividend to 25% of the aggregate value of the dividend. If stockholders representing more than 25% of the outstanding shares elect to receive cash, each stockholder making the cash election may receive a prorated distribution of the available cash, and will receive the remainder of the \$2.12644 dividend in shares of common stock. Cash in Lieu will be issued on fractional shares.

Option #1 (Stock): Holders may elect to receive the \$2.12644 per share dividend all in additional shares of Mexico Equity and Income Fund, Inc. common stock. **(Default option)**

Option #2 (Cash and Stock): Holders may elect to receive the total of \$2.12644 in cash per preferred stock held. This option may be prorated to pay cash & stock (see above the Effect of Cash Limitation) (Approximate 75% in common shares with CIL and Approximate 25% in cash).

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

Participants not responding to the above option by 01/16/2014 8:00 p.m. New York City time will receive the mandatory distribution in Stock Opt# 1(Default).

To confirm your record date positions, DTC participants should access the Dividend and Allocation History (DPAL) Menu Option, via the PTS Dividend Announcement Inquiry Function (DIVA).

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

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