



<b>B #:</b>	2452-14
<b>Date:</b>	12/31/2014
<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: Mexico Equity and Income Fund PFD CUSIP: 592834204 (Pays Common Stock CUSIP 592834105) R/D 12/30/2014 P/D 01/28/2015 Rate: \$1.618 per share DTC EDS Cut-off: 01/20/2015 8:00 p.m. New York City time.

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

Mexico Equity and Income Fund Preferred has declared a distribution of combined \$1.618 per share payable to its stockholders of record at the close of business on 12/30/2014. The \$1.618 dividend is comprised of \$0.192 in Short-Term Capital Gains, \$1.42 in Long-Term Capital Gains and \$0.006 in Ordinary Income.

**EFFECT OF CASH LIMITATION**

The dividend will be payable in cash and/or shares of common stock at the election of the stockholder and subject to a cash limitation. Stockholders who elect to receive the dividend in cash may receive up to \$1.618 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 \$1.618 dividend in shares of common stock. Cash in Lieu will be issued on fractional shares.

**Option #1 (Stock):** Holders may elect to receive additional shares of The Mexico Equity and Income Fund, Inc. common stock. The number of shares to be issued to shareholders not electing to receive cash will be based on the trade-weighted average market price of the common stock from 01/21/15 to 01/23/15, the Valuation dates. Fractions will be paid cash. **(Default)**

**Option #2 (Cash):** Holders may elect to receive the total of \$1.618 in cash. This option is subject to proration (Approximate 75% in common shares with CIL and Approximate 25% in cash).

**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 01/20/2015, 8:00 p.m., New York City time will receive the distribution in Option #1.**

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**B#: 2452-14**

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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