



<b>B #:</b>	0931-14
<b>Date:</b>	5/9/14
<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>	<b>Optional Dividend:</b> Keating Capital, Inc. <b>CUSIP:</b> 48722R106 <b>Record Date:</b> 05/08/14 <b>Payable Date:</b> 06/17/14 <b>Rate:</b> \$0.10 per share <b>DTC EDS Cut-Off:</b> 06/06/14 at 8:00 P.M. New York time

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

Keating Capital, Inc. has declared a distribution of \$0.10 per share, payable to its stockholders of record at the close of business on 05/08/14. The Fund will limit the aggregated amount of cash to be paid out to 25%. Any cash paid out in lieu of fractional shares will not count towards this limit.

**Option 1 Cash:** You may elect to receive the distribution in cash at a rate of \$0.10 per share. The amount of cash you will receive is subject to an overall limit of 25% of the distribution paid to all stockholders.

**Option 2 Stock:** You may elect to receive shares of Keating Capital common stock at a rate of \$0.10 per share. Fractions will be paid in cash at the DTC Client (Participant) level. **(Default)**

The number of shares of our common stock to be issued to stockholders receiving all or a portion of the distribution in shares of our common stock will be based on the volume weighted price (“VWAP”) of our common stock on NASDAQ for the three trading days immediately following the election expiry date (namely, June 10, 11 and 14, 2014). Stockholders receiving all or a portion of the distribution in shares of our common stock will receive cash in lieu.

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

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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).

**Clients not responding to the above option by 06/06/14 at 8:00 P.M. New York time will receive the distribution in the form of stock and cash of fractional shares at the DTC Client (Participant) level in accordance with Option #2. (Default)**

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

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