



Mexico Equity and Income Fund, Inc.

Computershare
PO Box 43078
Providence RI 02940-3078
Within the US, Canada & Puerto Rico: XXX XXX XXXX
Outside the US, Canada & Puerto Rico: XXX XXX XXXX
www.computershare.com

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6

!123456564525!

Holder Account Number

C 1234567890 J N T



Use a black pen. Print in CAPITAL letters inside the grey areas as shown in this example.



Cash Option Card

YOUR IMMEDIATE ATTENTION IS REQUIRED

AUTHORIZATION TO RECEIVE DIVIDEND IN CASH RATHER THAN IN STOCK

Please pay my dividend in cash.

The Mexico Equity and Income Fund, Inc. has declared a \$3.03306 per share dividend. IF NO ELECTION IS MADE, the entire dividend will be paid in shares of common stock.

To be effective, Computershare Investor Services, LLC, must receive this authorization no later than January 19, 2007. Enclosed is a postage paid envelope, which can be used to return this card.

DO NOT RETURN THIS CARD IF YOU WISH TO RECEIVE YOUR DIVIDEND IN SHARES OF THIS COMPANY'S COMMON STOCK

To be valid, this form must be signed by all registered shareholders.

Signature 1 - Please keep signature within the box.

Signature 2 - Please keep signature within the box.

Date (mm/dd/yyyy)

Signature box 1

Signature box 2

Date box

Daytime Telephone Number

Daytime Telephone Number box

Please return completed form to:

Computershare
P.O. Box 43078
Providence RI 02940-3078

X U E F H H H P P P P M M M M M M M M M M



The Mexico Equity and Income Fund, Inc.

615 E. Michigan Street, Milwaukee, Wisconsin 53202

December 29, 2006

NOTICE OF OPTIONAL STOCK OR CASH DIVIDEND

The Board of Directors is pleased to announce the Fund's fiscal year-end dividend, in the amount of \$3.03306 per share, payable on January 26, 2007 to shareholders of record at the close of business December 29, 2006. This dividend is payable either in cash or common stock of the Fund.

Option 1 – Shares of Common Stock

You may elect to receive shares of common stock for the total distribution of \$3.03306 per share. The number of Fund common shares to be received by those shareholders not electing to receive cash will be based on the closing price of Fund's common shares on the New York Stock Exchange on January 22, 2007. If the Fund's common shares are trading at a premium to net asset value, then new common shares will be issued at the greater of net asset value or 95% of the market price per common share. If the Fund's common shares are trading at a discount to net asset value, the Fund will purchase common shares in the open market for as long as the common shares are trading at a discount. If the Fund is purchasing common shares in the open market and the common shares begin trading at a premium to net asset value, the Fund will cease its open market purchases and issue the remaining common shares at the greater of net asset value or 95% of the market price per common share. The Fund will not issue fractional shares, but instead will pay fractional shares in cash.

If you elect this option, no action on your part is necessary and please discard the enclosed cash option card. If you are enrolled in the dividend reinvestment plan, your shares will be credited to your plan account. A stock certificate reflecting the full number of shares and check representing fractional shares will be mailed to you.

Option 2 – Cash

You may elect to receive the total distribution in cash. **In order to receive cash, the enclosed cash option card must be signed and returned** to The Mexico Equity and Income Fund, Inc. c/o Computershare, PO Box 43078, Providence RI 02940-3078. **The card must be received by Computershare by January 19, 2007.**

Whether the dividend is received in cash or stock, for federal income purposes the \$3.03306 per share is considered taxable income for calendar year 2006.

**IF YOU ELECT TO RECEIVE THE DISTRIBUTION IN CASH, PLEASE POST
YOUR OPTION CARD EARLY IN ORDER TO AVOID MAIL DELAY.**

**IF THE OPTION CARD IS NOT RETURNED BY JANUARY 19, 2007,
YOU WILL RECEIVE THIS DISTRIBUTION IN COMMON STOCK**