



**GABELLI**  
FUNDS

THE GDL FUND

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**PRESS RELEASE**

FOR IMMEDIATE RELEASE

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NYSE – GDL  
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**THE GDL FUND  
DECLARES FOURTH QUARTER DISTRIBUTION OF  
\$0.32 PER SHARE**

**Rye, NY** -- The Board of Trustees of The GDL Fund (NYSE:GDL) (the "Fund") declared a \$0.32 per share cash distribution payable on December 19, 2013 to common shareholders of record on December 13, 2013. With this fourth quarter distribution, the total distribution from the fund would equate to \$1.28 per share for 2013.

Each quarter, the Board of Trustees reviews the amount of any potential distribution from the income, realized capital gain, or capital available. The Board of Trustees will continue to monitor the Fund's distribution level, taking into consideration the Fund's net asset value and the financial market environment. In light of the Fund's income, net asset value and the financial market environment, the Board of Trustees is reviewing the quarterly cash distribution amount for future periods. The distribution rate should not be considered the dividend yield or total return on an investment in the Fund.

The Fund has paid a quarterly distribution since June 2007, providing cumulative cash distributions of \$8.88 per share to common shareholders.

In addition to quarterly cash distributions of all or a portion of its investment company taxable income (which includes ordinary income and net realized short-term capital gains) to common shareholders, the Fund makes annual distributions of its realized net long-term capital gains, if any. A portion of the distribution may be a return of capital. Various factors will affect the level of the Fund's income, such as its asset mix and use of merger arbitrage strategies. To permit the Fund to maintain more stable distributions, the Fund may from time to time distribute more or less than the entire amount of income earned in a particular period. Because the Fund's current quarterly distributions are subject to modification by the Board of Trustees at any time and the Fund's income will fluctuate, there can be no assurance that the Fund will pay distributions at a particular rate or frequency.

If the Fund does not generate sufficient earnings (dividends and interest income and realized net capital gain) equal to or in excess of the aggregate distributions paid by the Fund in a given year, then the amount distributed in excess of the Fund's earnings would be deemed a

return of capital. Since this would be considered a return of a portion of a shareholder's original investment, it is generally not taxable and is treated as a reduction in the shareholder's cost basis. Under federal tax regulations, some or all of the return of capital distributed by the Fund may be taxable as ordinary income in certain circumstances. This may occur when the Fund has a capital loss carry forward, net capital gains are realized in a fiscal year, and distributions are made in excess of investment company taxable income.

Short-term capital gains, qualified dividend income, ordinary income, and return of capital, if any, will be allocated on a pro-rata basis to all distributions to common shareholders for the year. Based on the accounting records of the Fund as of November 15, 2013, each of the distributions paid to common shareholders in 2013 would include approximately 21% from net capital gains and 79% would be a return of capital on a book basis. The estimated components of each distribution are updated and provided to shareholders of record in a notice accompanying the distribution and are available on our website ([www.gabelli.com](http://www.gabelli.com)). The final determination of the sources of all distributions in 2013 will be made after year end and can vary from the quarterly estimates. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for all 2013 distributions in early 2014 via Form 1099-DIV.

*Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. More information regarding the Fund's distribution policy and other information about the Fund is available by calling 800-GABELLI (800-422-3554) or visiting [www.gabelli.com](http://www.gabelli.com).*

The GDL Fund is a diversified, closed-end management investment company with \$411 million in total net assets whose investment objective is to achieve absolute returns in various market conditions without excessive risk of capital. The Fund is managed by Gabelli Funds, LLC, a subsidiary of GAMCO Investors, Inc. (NYSE:GBL), which is a publicly traded NYSE listed company.