

The Depository Trust Company  
**IMPORTANT**

**B#:** 0981-07  
**DATE:** February 23, 2007  
**TO:** All Participants  
**CATEGORY:** Dividends  
**FROM:** Ray Lew, Specialist, Stock Dividend Department  
**ATTENTION:** Dividend Managers, Cashiers, and Reorganization Managers  
**SUBJECT:** Optional Dividend: Equus Total Return, Inc.  
Common CUSIP: 294766100 R/D: 2/26/07 P/D: 3/30/07  
Rate: \$0.125 in Stock & CIL or Cash  
DTC EDS Cutoff: 3/21/07 before 8:00 p.m. N.Y.C. time

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

Participants, who have positions in the above captioned security, can elect to receive the distribution in stock or cash, as follows:

**Stock Option #1:** You may elect to receive additional shares of Equus Total Return, Inc. (NYSE Symbol: EQS) for the \$0.125 per share. Fractional shares will be paid in cash. The stock issued in the dividend will be valued at the average closing market price of EQS for the ten trading days ending March 22, 2007.

**Cash Option #2:** You may elect to receive the \$0.125 per share 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 03/21/07 before 8:00 p.m. New York City time will receive the mandatory distribution in accordance with Option #1 (stock with fractional shares paid in cash).**

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To confirm your Record Date positions, participants should access the Dividend Position and Allocation history (DPAL) Menu option of the PTS Dividend Announcements 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 Help Center at (888) 360-3822.