

The Depository Trust Company

IMPORTANT

B#: 2677-07

DATE: December 18, 2007

TO: All Participants

CATEGORY: Dividends

FROM: Specialist, Stock Dividend Department

ATTENTION: Dividend Managers, Cashiers, and Reorganization Managers

SUBJECT: Optional Dividend: The Central Europe and Russia Fund, Inc
 CUSIP: 153436100 R/D: 12/21/07 P/D: 12/31/07
 Rate: \$10.2567 total distribution payable in Stock or Cash
 DTC EDS C/O: 12/26/07 no later than 8:00 p.m. N.Y.C. time

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

Participants who have positions in the above captioned security may elect to receive the total distribution of \$ 10.2567 per share (**\$0.9477 net investment income, \$0.4648 short-term capital gains, and \$8.8442 long-term capital gains**) in stock or cash, as follows:

Stock Option #1: You may elect to receive additional shares of **The Central Europe and Russia Fund, Inc.** for the \$ 10.2567 per share. Fractional shares will be paid in cash.

The number of shares to be issued will be determined valued at the New York Stock Exchange closing price on the payable date.

- **Sub Accounting will be available on this option. This will enable participants to submit EDS instructions to receive cash-in-lieu of fractions at the beneficial owner level.**

Cash Option #2: You may elect to receive cash at \$ **10.2567** per share held.

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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 12/26/07, will receive the mandatory distribution in accordance with Option #1 (Stock with Fractions in Cash).

To confirm your Record Date positions, DTC participants should access the Dividend and Allocation History (DPAL) Option, via the PTS Dividend Announcements Inquiry (DIVA) function.

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, participants may contact DTC's Customer Service Help Line at (888) 360-3822.