



DFP DECLARES FIRST DIVIDENDS

PASADENA, CALIFORNIA – June 24, 2013

The Board of Directors of Flaherty & Crumrine Dynamic Preferred and Income Fund Incorporated (**NYSE: DFP or the “Fund”**), a closed-end management investment company, declared its initial monthly dividend of \$0.156. The Fund’s initial monthly dividend equates to a 7.49% distribution yield based upon the Fund’s initial offer price of \$25.00 and an 8.18% yield on net asset value as of June 21, 2013.

The Fund’s July dividend will be paid on July 31, 2013 to shareholders of record as of July 12, 2013. The expected ex-dividend date is July 10, 2013.

The Board of Directors of the Fund has also declared the Fund’s monthly dividend for August 2013 and September 2013 in the amount of \$0.156 per share.

The Fund’s August 2013 dividend will be paid on August 30, 2013 to shareholders of record as of August 23, 2013. The expected ex-dividend date for the Fund’s August dividend is August 21, 2013. The Fund’s September 2013 dividend will be paid on September 30, 2013 to shareholders of record as of September 23, 2013. The expected ex-dividend date for the Fund’s September dividend is September 19, 2013.

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Past performance is not indicative of future performance. To the extent any portion of the distribution is estimated to be sourced from something other than income, such as return of capital, the source would be disclosed on a Section 19(a)-1 letter located on the under the “News & Literature” tab of the Fund’s website, www.preferredincome.com. A distribution rate that is largely comprised of sources other than income may not be reflective of the Fund’s performance.

DFP was organized in 2013 and invests primarily in preferred securities with an investment objective of total return, with an emphasis on high current income. DFP is managed by Flaherty & Crumrine Incorporated, an independent investment adviser which was founded in 1983 to specialize in the management of portfolios of preferred and related securities. Flaherty & Crumrine also manages four other U.S. closed-end funds: Flaherty & Crumrine Preferred Securities Income Fund (NYSE: FFC); Flaherty & Crumrine Total Return Fund (NYSE: FLC); Flaherty & Crumrine Preferred Income Fund (NYSE: PFD); and Flaherty & Crumrine Preferred Income Opportunity Fund (NYSE: PFO).

Destra Capital Investments LLC (“Destra Capital”), the Fund’s provider of investor support services, is an

independent fund distribution and servicing firm and registered broker dealer. As part of the investor support services it provides, Destra Capital serves fund shareholders and the broader financial community. Destra Capital also supports FFC and FLC in the U.S. financial advisor community as an investment option for current and potential investors. Destra Capital is headquartered in Lisle, IL and employs approximately 30 wholesale fund distribution professionals located throughout the United States.

*This information does not represent an offer to sell the Fund and it is not soliciting an offer to buy securities of the Fund. There can be no assurance that the Fund will achieve its investment objective. It is important to note that closed-end funds trade on their market value, not net asset value, and closed-end funds often trade at a discount to their net asset value. Past performance is not indicative of future performance. An investment in closed-end funds is subject to investment risk, including the possible loss of the entire amount that you invest. Please see the Fund’s website for a detailed discussion of fund-specific risks. **Investors should consider the investment objectives and policies, risk considerations, charges and expenses of any investment before they invest.***