

The Herzfeld Caribbean Basin Fund
Cusip: 42804T106
Tel: 305-271-1900

Notification of Source of Distributions

Pursuant to Rule 19a-1 under the Investment Company Act of 1940

A year-end distribution of \$0.118 per share, declared November 22, 2017, was paid on December 28, 2017 to shareholders of record at the close of business on December 7, 2017.

Under the U.S. Investment Company Act of 1940, the Fund is required to indicate the source of distributions made to shareholders. As such, the distribution is comprised 100% of net long-term capital gains and is considered taxable for calendar year 2017. Shareholders will be notified regarding the source of distributions for the year and the related tax treatment via Form 1099-DIV in early 2018.