

Edgar Filing: GABELLI DIVIDEND & INCOME TRUST - Form N-Q

GABELLI DIVIDEND & INCOME TRUST  
Form N-Q  
May 29, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF  
REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21423  
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The Gabelli Dividend & Income Trust  
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(Exact name of registrant as specified in charter)

One Corporate Center  
Rye, New York 10580-1422  
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(Address of principal executive offices) (Zip code)

Bruce N. Alpert  
Gabelli Funds, LLC  
One Corporate Center  
Rye, New York 10580-1422  
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(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554  
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Date of fiscal year end: December 31  
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Date of reporting period: March 31, 2008  
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Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. SCHEDULE OF INVESTMENTS.

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The Schedule(s) of Investments is attached herewith.

[LOGO]  
THE GABELLI  
DIVIDEND &  
INCOME TRUST

## THE GABELLI DIVIDEND & INCOME TRUST

First Quarter Report  
March 31, 2008

TO OUR SHAREHOLDERS,

The Gabelli Dividend & Income Trust's (the "Fund") net asset value ("NAV") total return was (11.3)% during the first quarter of 2008, compared with declines of 9.4% and 6.9% for the Standard & Poor's ("S&P") 500 Index and the Dow Jones Industrial Average, respectively. The total return for the Fund's publicly traded shares was (12.5)% during the first quarter. On March 31, 2008, the Fund's NAV per share was \$20.61, while the price of the publicly traded shares closed at \$17.79 on the New York Stock Exchange.

Enclosed is the investment portfolio as of March 31, 2008.

### COMPARATIVE RESULTS

	Quarter	1 Year	3 Year	Since Inception (11/28/03)
	-----	-----	-----	-----
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AVERAGE ANNUAL RETURNS THROUGH MARCH 31, 2008 (a)				
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GABELLI DIVIDEND & INCOME TRUST				
NAV TOTAL RETURN (b) .....	(11.29)%	(8.00)%	7.76%	8.45%
INVESTMENT TOTAL RETURN (c) .....	(12.53)	(10.38)	7.46	4.41
S&P 500 Index .....	(9.44)	(5.08)	5.84	7.23
Dow Jones Industrial Average .....	(6.92)	1.57	7.75	7.79
Nasdaq Composite Index .....	(14.07)	(5.89)	4.46	3.53

- (a) RETURNS REPRESENT PAST PERFORMANCE AND DO NOT GUARANTEE FUTURE RESULTS. INVESTMENT RETURNS AND THE PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE. WHEN SHARES ARE SOLD, THEY MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA PRESENTED. VISIT [WWW.GABELLI.COM](http://WWW.GABELLI.COM) FOR PERFORMANCE INFORMATION AS OF THE MOST RECENT MONTH END. PERFORMANCE RETURNS FOR PERIODS LESS THAN ONE YEAR ARE NOT ANNUALIZED. INVESTORS SHOULD CAREFULLY CONSIDER THE INVESTMENT OBJECTIVES, RISKS, CHARGES, AND EXPENSES OF THE FUND BEFORE INVESTING. THE DOW JONES INDUSTRIAL AVERAGE IS AN UNMANAGED INDEX OF 30 LARGE CAPITALIZATION STOCKS. THE S&P 500 AND THE NASDAQ COMPOSITE INDICES ARE UNMANAGED INDICATORS OF STOCK MARKET PERFORMANCE. DIVIDENDS ARE CONSIDERED REINVESTED EXCEPT FOR THE NASDAQ COMPOSITE INDEX. YOU CANNOT INVEST DIRECTLY IN AN INDEX.
- (b) TOTAL RETURNS AND AVERAGE ANNUAL RETURNS REFLECT CHANGES IN THE NAV PER SHARE AND REINVESTMENT OF DISTRIBUTIONS AT NAV ON THE EX-DIVIDEND DATE AND ARE NET OF EXPENSES. SINCE INCEPTION RETURN IS BASED ON AN INITIAL NAV OF \$19.06.
- (c) TOTAL RETURNS AND AVERAGE ANNUAL RETURNS REFLECT CHANGES IN CLOSING MARKET VALUES ON THE NEW YORK STOCK EXCHANGE AND REINVESTMENT OF DISTRIBUTIONS. SINCE INCEPTION RETURN IS BASED ON AN INITIAL OFFERING PRICE OF \$20.00.

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 We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).  
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THE GABELLI DIVIDEND & INCOME TRUST  
 SCHEDULE OF INVESTMENTS  
 MARCH 31, 2008 (UNAUDITED)

SHARES  
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	COMMON STOCKS -- 92.7%
	AEROSPACE -- 1.1%
12,000	Boeing Co. ....
10,000	Goodrich Corp. ....
55,000	Kaman Corp. ....
100,000	Rockwell Automation Inc. ....
2,000,000	Rolls-Royce Group plc+ ....
179,200,000	Rolls-Royce Group plc, Cl. B ....
	AGRICULTURE -- 0.6%
130,000	Archer-Daniels-Midland Co. ....
210,000	UAP Holding Corp. ....
	AUTOMOTIVE -- 0.3%
20,000	Copart Inc.+ ....
287,000	General Motors Corp. ....
10,000	Navistar International Corp.+ ....
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.7%
386,000	Genuine Parts Co. ....
	BROADCASTING -- 0.6%
415,000	Clear Channel Communications Inc. ....
	BUILDING AND CONSTRUCTION -- 0.0%
15,000	Layne Christensen Co.+ ....
	BUSINESS SERVICES -- 1.1%
3,000	Alliance Data Systems Corp.+ ....
300,000	ChoicePoint Inc.+ ....
150,000	Diebold Inc. ....
100,000	Intermec Inc.+ ....

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82,000	PHH Corp.+ .....	.....
293,500	Trans-Lux Corp.+ (a) .....	.....
CABLE AND SATELLITE -- 1.9%		
640,000	Cablevision Systems Corp., Cl. A+ .....	.....
14,200	Cogeco Inc. ....	.....
230,000	DISH Network Corp., Cl. A+ .....	.....
46,000	EchoStar Corp., Cl. A+ .....	.....
81,734	Liberty Global Inc., Cl. A+ .....	.....
34,318	Liberty Global Inc., Cl. C+ .....	.....
180,000	Rogers Communications Inc., Cl. B .....	.....
335,000	The DIRECTV Group Inc.+ .....	.....
SHARES		
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35,213	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA .....	.....
7,042	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA, ADR .....	.....
COMMUNICATIONS EQUIPMENT -- 0.0%		
15,000	Thomas & Betts Corp.+ .....	.....
COMPUTER SOFTWARE AND SERVICES -- 1.2%		
1,100,000	BEA Systems Inc.+ .....	.....
160,833	Metavante Technologies Inc.+ .....	.....
20,000	Microsoft Corp. ....	.....
100,000	Yahoo! Inc.+ .....	.....
CONSUMER PRODUCTS -- 2.8%		
230,000	Alberto-Culver Co. ....	.....
25,000	Altria Group Inc. ....	.....
90,000	Avon Products Inc. ....	.....
40,000	Eastman Kodak Co. ....	.....
50,000	Fortune Brands Inc. ....	.....
40,000	Hanesbrands Inc.+ .....	.....
34,000	Harman International Industries Inc. ....	.....
130,000	Kimberly-Clark Corp. ....	.....
60,000	Mattel Inc. ....	.....
25,000	Philip Morris International Inc.+ .....	.....
175,000	Procter & Gamble Co. ....	.....
995,000	Swedish Match AB .....	.....
DIVERSIFIED INDUSTRIAL -- 3.6%		
148,000	Bouygues SA .....	.....
208,000	Cooper Industries Ltd., Cl. A .....	.....
500,000	General Electric Co. ....	.....
275,000	Honeywell International Inc. ....	.....
100,000	ITT Corp. ....	.....
166,093	Owens-Illinois Inc.+ .....	.....
2,000	Pentair Inc. ....	.....
2,000	Textron Inc. ....	.....
1,051,000	Tomkins plc .....	.....

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205,000	Tyco International Ltd. ....
131,000	WHX Corp.+ ....
	ELECTRONICS -- 1.3%
1,075,000	Intel Corp. ....
190,000	Tyco Electronics Ltd. ....

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST  
 SCHEDULE OF INVESTMENTS (CONTINUED)  
 MARCH 31, 2008 (UNAUDITED)

SHARES

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	COMMON STOCKS (CONTINUED)
	ENERGY AND UTILITIES: ELECTRIC -- 4.6%
30,000	Allegheny Energy Inc. ....
90,000	ALLETE Inc. ....
250,000	American Electric Power Co. Inc. ....
720	Brookfield Infrastructure Partners LP ....
425,000	DPL Inc. ....
20,000	Edison International ....
273,000	Electric Power Development Co. Ltd. ....
220,000	FPL Group Inc. ....
530,000	Great Plains Energy Inc. ....
370,000	Integrays Energy Group Inc. ....
120,000	Pepco Holdings Inc. ....
240,000	Pinnacle West Capital Corp. ....
100,000	Southern Co. ....
265,000	Unisource Energy Corp. ....
	ENERGY AND UTILITIES: INTEGRATED -- 9.8%
12,000	Alliant Energy Corp. ....
140,000	Ameren Corp. ....
3,300,000	Aquila Inc.+ ....
50,000	Avista Corp. ....
15,000	Black Hills Corp. ....
36,000	CH Energy Group Inc. ....
108,000	Chubu Electric Power Co. Inc. ....
268,000	CONSOL Energy Inc. ....
200,000	Consolidated Edison Inc. ....
10,000	Dominion Resources Inc. ....
200,000	Duke Energy Corp. ....
430,000	Edison SpA ....

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430,400	El Paso Corp. ....
80,000	Endesa SA .....
300,000	Enel SpA .....
47,000	Enel SpA, ADR .....
144,000	Energy East Corp. ....
20,000	Exelon Corp. ....
165,000	FirstEnergy Corp. ....
150,000	Hawaiian Electric Industries Inc. ....
250,000	Hera SpA .....
121,500	Hokkaido Electric Power Co. Inc. ....
121,500	Hokuriku Electric Power Co. ....
10,000	Iberdrola SA .....
110,000	Iberdrola SA, ADR .....
80,500	Korea Electric Power Corp., ADR .....
121,500	Kyushu Electric Power Co. Inc. ....
22,000	Maine & Maritimes Corp.+ .....
80,000	MGE Energy Inc. ....
35,102	National Grid plc, ADR .....
255,000	NiSource Inc. ....

### SHARES

600,000	NSTAR .....
440,000	OGE Energy Corp. ....
29,000	Ormat Technologies Inc. ....
320,000	Progress Energy Inc. ....
300,000	Public Service Enterprise Group Inc. ....
121,500	Shikoku Electric Power Co. Inc. ....
15,000	TECO Energy Inc. ....
121,500	The Chugoku Electric Power Co. Inc. ....
40,000	The Empire District Electric Co. ....
121,500	The Kansai Electric Power Co. Inc. ....
108,000	The Tokyo Electric Power Co. Inc. ....
121,500	Tohoku Electric Power Co. Inc. ....
205,000	Vectren Corp. ....
470,000	Westar Energy Inc. ....
85,000	Wisconsin Energy Corp. ....
200,000	Xcel Energy Inc. ....

### ENERGY AND UTILITIES: NATURAL GAS -- 3.2%

8,000	AGL Resources Inc. ....
50,000	Atmos Energy Corp. ....
20,000	Delta Natural Gas Co. Inc. ....
6,000	Energen Corp. ....
2,000	EnergySouth Inc. ....
20,000	Kinder Morgan Energy Partners LP .....
350,000	National Fuel Gas Co. ....
210,000	Nicor Inc. ....
220,000	ONEOK Inc. ....
200,000	Sempra Energy .....
30,000	South Jersey Industries Inc. ....
90,000	Southern Union Co. ....
190,000	Southwest Gas Corp. ....
600,000	Spectra Energy Corp. ....
60,000	The Laclede Group Inc. ....

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	ENERGY AND UTILITIES: OIL -- 12.7%
20,000	Anadarko Petroleum Corp. ....
40,000	Apache Corp. ....
46,900	BG Group plc, ADR ....
160,000	BP plc, ADR ....
80,000	Cameron International Corp.+ ....
140,000	Chesapeake Energy Corp. ....
300,000	Chevron Corp. ....
1,000	Cimarex Energy Co. ....
398,000	ConocoPhillips ....
78,000	Devon Energy Corp. ....
176,000	Eni SpA, ADR ....
215,000	Exxon Mobil Corp. ....
30,000	Hess Corp. ....

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST  
 SCHEDULE OF INVESTMENTS (CONTINUED)  
 MARCH 31, 2008 (UNAUDITED)

SHARES  
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	COMMON STOCKS (CONTINUED)
	ENERGY AND UTILITIES: OIL (CONTINUED)
535,000	Marathon Oil Corp. ....
145,000	Murphy Oil Corp. ....
4,000	Nabors Industries Ltd.+ ....
1,000	Niko Resources Ltd. ....
10,000	Noble Corp. ....
335,000	Occidental Petroleum Corp. ....
30,000	Oceaneering International Inc.+ ....
18,000	PetroChina Co. Ltd., ADR ....
11,000	Petroleo Brasileiro SA, ADR ....
275,000	Repsol YPF SA, ADR ....
210,000	Rowan Companies Inc. ....
200,000	Royal Dutch Shell plc, Cl. A, ADR ....
875,000	StatoilHydro ASA, ADR ....
200,000	Sunoco Inc. ....
190,000	Total SA, ADR ....
46,873	Transocean Inc.+ ....
	ENERGY AND UTILITIES: SERVICES -- 4.0%
120,000	ABB Ltd., ADR ....
20,000	Baker Hughes Inc. ....
235,000	Diamond Offshore Drilling Inc. ....
19,500	Exterran Holdings Inc.+ ....
50,000	Grant Prideco Inc.+ ....
625,000	Halliburton Co. ....

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120,000	Schlumberger Ltd. ....
250,000	Weatherford International Ltd.+ ....
ENERGY AND UTILITIES: WATER -- 0.3%	
11,000	American States Water Co. ....
60,333	Aqua America Inc. ....
6,000	Artesian Resources Corp., Cl. A ....
3,000	California Water Service Group ....
11,500	Connecticut Water Service Inc. ....
1,000	Consolidated Water Co. Ltd. ....
6,000	Middlesex Water Co. ....
58,000	Pennichuck Corp. ....
82,000	SJW Corp. ....
16,800	Southwest Water Co. ....
5,000	Suez SA ....
168,000	Suez SA, Strips+ ....
36,000	United Utilities plc, ADR ....
9,000	York Water Co. ....

### SHARES

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ENTERTAINMENT -- 0.7%	
8,000	Grupo Televisa SA, ADR ....
142,600	Take-Two Interactive Software Inc.+ ....
350,000	Time Warner Inc. ....
200,000	Vivendi ....
ENVIRONMENTAL SERVICES -- 0.7%	
65,000	Allied Waste Industries Inc.+ ....
1,000	Hyflux Ltd. ....
12,375	Veolia Environnement ....
420,000	Waste Management Inc. ....
EQUIPMENT AND SUPPLIES -- 1.8%	
110,000	CIRCOR International Inc. ....
30,000	Lufkin Industries Inc. ....
60,000	Mueller Industries Inc. ....
420,000	RPC Inc. ....
300,000	Tenaris SA, ADR ....
70,000	Trane Inc. ....
400,000	Xerox Corp. ....
FINANCIAL SERVICES -- 14.5%	
70,000	Aflac Inc. ....
230,000	AllianceBernstein Holding LP ....
440,000	American Express Co. ....
300,000	American International Group Inc. ....
11,641	AON Corp. ....

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42,000	Astoria Financial Corp. ....
425,000	Bank of America Corp. ....
4,000	BlackRock Inc. ....
65,000	Capital One Financial Corp. ....
120,000	CIT Group Inc. ....
690,000	Citigroup Inc. ....
70,000	Deutsche Bank AG ....
380,000	Discover Financial Services ....
272,000	Federal National Mortgage Association ....
78,909	Fidelity National Financial Inc., Cl. A ....
61,496	Fidelity National Information Services Inc. ....
130,000	Fifth Third Bancorp ....
70,000	Flushing Financial Corp. ....
100,000	Freddie Mac ....
27,000	Hartford Financial Services Group Inc. ....
160,000	HSBC Holdings plc, ADR ....
40,000	Hudson City Bancorp Inc. ....
50,000	Invesco Ltd. ....
470,000	JPMorgan Chase & Co. ....

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST  
SCHEDULE OF INVESTMENTS (CONTINUED)  
MARCH 31, 2008 (UNAUDITED)

SHARES

-----

	COMMON STOCKS (CONTINUED)
	FINANCIAL SERVICES (CONTINUED)
38,000	Legg Mason Inc. ....
10,000	Lehman Brothers Holdings Inc. ....
180,000	Marshall & Ilsley Corp. ....
272,000	Merrill Lynch & Co. Inc. ....
150,000	Morgan Stanley ....
297,495	National Australia Bank Ltd., ADR ....
200,000	New York Community Bancorp Inc. ....
270,000	NewAlliance Bancshares Inc. ....
220,000	PNC Financial Services Group Inc. ....
180,000	Popular Inc. ....
220,000	Regions Financial Corp. ....
298,000	SLM Corp.+ ....
700,000	Sovereign Bancorp Inc. ....
80,050	Sterling Bancorp ....
120,000	T. Rowe Price Group Inc. ....
40,000	The Allstate Corp. ....
325,000	The Bank of New York Mellon Corp. ....
60,000	The Blackstone Group LP ....
86,982	The Toronto-Dominion Bank ....
290,000	The Travelers Companies Inc. ....
5,000	Unitrin Inc. ....
30,974	Valley National Bancorp ....

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400,000	Wachovia Corp. ....
400,000	Waddell & Reed Financial Inc., Cl. A ....
12,000	Webster Financial Corp. ....
520,000	Wells Fargo & Co. ....
90,000	Wilmington Trust Corp. ....
177,000	Zions Bancorporation ....

### FOOD AND BEVERAGE -- 9.1%

180,000	Anheuser-Busch Companies Inc. ....
270,000	Cadbury Schweppes plc, ADR ....
80,000	Campbell Soup Co. ....
90,000	China Mengniu Dairy Co. Ltd. ....
220,000	ConAgra Foods Inc. ....
950,000	Davide Campari-Milano SpA ....
300,000	General Mills Inc. ....
320,000	Groupe Danone ....
100,000	H.J. Heinz Co. ....
200,000	ITO EN Ltd. ....
50,000	ITO EN Ltd., Preference ....
1,000	Kellogg Co. ....
170,000	Kikkoman Corp. ....
400,000	Kraft Foods Inc., Cl. A ....
160,000	Morinaga Milk Industry Co. Ltd. ....
300,000	Nissin Food Products Co. Ltd. ....

### SHARES

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500,000	Parmalat SpA ....
339,450	Parmalat SpA, GDR (b) (c) ....
320,000	PepsiAmericas Inc. ....
10,000	PepsiCo Inc. ....
50,000	Pernod-Ricard SA ....
5,000	Remy Cointreau SA ....
1,200,000	Sara Lee Corp. ....
300,000	The Coca-Cola Co. ....
345,000	The Hershey Co. ....
62,000	Wm. Wrigley Jr. Co. ....
3,000	Wm. Wrigley Jr. Co., Cl. B ....
470,000	YAKULT HONSHA Co. Ltd. ....

### HEALTH CARE -- 3.3%

25,000	Advanced Medical Optics Inc.+ ....
220,000	Boston Scientific Corp.+ ....
115,000	Bristol-Myers Squibb Co. ....
90,000	Covidien Ltd. ....
170,000	Eli Lilly & Co. ....
100,000	IMS Health Inc. ....
50,000	Johnson & Johnson ....
10,000	Medtronic Inc. ....
200,000	Merck & Co. Inc. ....
140,000	Owens & Minor Inc. ....
1,090,000	Pfizer Inc. ....
35,000	Schiff Nutrition International Inc. ....
40,000	St. Jude Medical Inc.+ ....
130,000	Wyeth ....

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75,000	Zimmer Holdings Inc.+ .....
	HOTELS AND GAMING -- 0.4%
44,000	Boyd Gaming Corp. ....
690,000	Ladbrokes plc .....
20,000	Las Vegas Sands Corp.+ .....
85,000	Pinnacle Entertainment Inc.+ .....
	MACHINERY -- 0.4%
185,000	CNH Global NV .....
	MANUFACTURED HOUSING AND RECREATIONAL VEHICLES -- 0.0%
5,000	Skyline Corp. ....
	METALS AND MINING -- 0.9%
170,000	Alcoa Inc. ....
10,000	Alliance Holdings GP LP .....
20,000	Arch Coal Inc. ....

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST  
 SCHEDULE OF INVESTMENTS (CONTINUED)  
 MARCH 31, 2008 (UNAUDITED)

SHARES

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	COMMON STOCKS (CONTINUED)
	METALS AND MINING (CONTINUED)
8,000	BHP Billiton Ltd., ADR .....
3,000	Fording Canadian Coal Trust .....
98,000	Freeport-McMoRan Copper & Gold Inc. ....
10,000	Massey Energy Co. ....
2,500	Patriot Coal Corp.+ .....
25,000	Peabody Energy Corp. ....
2,000	Rio Tinto plc, ADR .....
3,000	Westmoreland Coal Co.+ .....
	PAPER AND FOREST PRODUCTS -- 0.2%
200,000	International Paper Co. ....
	PUBLISHING -- 0.6%
35,000	Idearc Inc. ....
2,000,000	Il Sole 24 Ore+ .....

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	REAL ESTATE -- 0.0%
18,000	Brookfield Asset Management Inc., Cl. A .....
	RETAIL -- 2.1%
210,000	CVS Caremark Corp. ....
142,000	Ingles Markets Inc., Cl. A .....
410,000	Safeway Inc. ....
22,000	Saks Inc.+ .....
310,000	Sally Beauty Holdings Inc.+ .....
85,000	SUPERVALU Inc. ....
92,000	The Great Atlantic & Pacific Tea Co. Inc.+ .....
360,000	Walgreen Co. ....
70,000	Whole Foods Market Inc. ....
	SPECIALTY CHEMICALS -- 1.4%
5,000	Arkema, ADR+ .....
130,000	Ashland Inc. ....
180,000	E.I. du Pont de Nemours & Co. ....
260,000	Ferro Corp. ....
100,000	Olin Corp. ....
260,000	The Dow Chemical Co. ....
18,146	Tronox Inc., Cl. B .....
	TELECOMMUNICATIONS -- 6.0%
570,000	AT&T Inc. ....
498,000	BCE Inc. ....
SHARES/ UNITS	
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47,125	Bell Aliant Regional Communications Income Fund (b) (d) .....
71,000	BT Group plc, ADR .....
20,000	CenturyTel Inc. ....
50,000	Compania de Telecomunicaciones de Chile SA, ADR .....
615,000	Deutsche Telekom AG, ADR .....
25,000	Embarq Corp. ....
55,000	France Telecom SA, ADR .....
210,000	Hellenic Telecommunications Organization SA, ADR .....
40,000	Neuf Cegetel .....
240,000	Portugal Telecom SGPS SA .....
200,000	Qwest Communications International Inc. ....
900,000	Sprint Nextel Corp. ....
21,333	Telecom Corp. of New Zealand Ltd., ADR .....
200,000	Telecom Italia SpA, ADR .....
26,000	Telefonica SA, ADR .....
200,000	Telefonos de Mexico SAB de CV, Cl. L, ADR .....
130,000	Telstra Corp. Ltd., ADR .....
76,100	TELUS Corp., Non-Voting, ADR .....
1,000,000	Verizon Communications Inc. ....
190,000	Vodafone Group plc, ADR .....
	TRANSPORTATION -- 0.5%
3,000	Frontline Ltd. ....

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255,001	GATX Corp. ....
24,000	Golden Ocean Group Ltd. ....
3,000	Ship Finance International Ltd. ....
25,000	Teekay Corp. ....

	WIRELESS COMMUNICATIONS -- 0.3%
5,000	Crown Castle International Corp.+ ....
108,000	United States Cellular Corp.+ ....
14,000	Vimpel-Communications, ADR ....

TOTAL COMMON STOCKS .....

CONVERTIBLE PREFERRED STOCKS -- 1.2%

	AEROSPACE -- 0.1%
8,200	Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B .....

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST  
 SCHEDULE OF INVESTMENTS (CONTINUED)  
 MARCH 31, 2008 (UNAUDITED)

SHARES  
 -----

CONVERTIBLE PREFERRED STOCKS (CONTINUED)

	BROADCASTING -- 0.0%
20,460	Emmis Communications Corp., 6.250% Cv. Pfd., Ser. A .....

	BUILDING AND CONSTRUCTION -- 0.0%
200	Fleetwood Capital Trust, 6.000% Cv. Pfd. ....

	DIVERSIFIED INDUSTRIAL -- 0.0%
45,000	Smurfit-Stone Container Corp., 7.000% Cv. Pfd., Ser. A .....

	ENERGY AND UTILITIES -- 0.3%
5,000	Chesapeake Energy Corp., 5.000% Cv. Pfd. (b) .....
20,000	CMS Energy Corp., 4.500% Cv. Pfd., Ser. B .....
129,000	El Paso Energy Capital Trust I, 4.750% Cv. Pfd., Ser. C .....

	ENTERTAINMENT -- 0.0%
43,000	Six Flags Inc., 7.250% Cv. Pfd. ....

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FINANCIAL SERVICES -- 0.3%  
 1,500 Doral Financial Corp., 4.750% Cv. Pfd. ....  
 120,000 Newell Financial Trust I, 5.250% Cv. Pfd. ....

HEALTH CARE -- 0.0%  
 12,000 Omnicare Inc., 4.000% Cv. Pfd., Ser. B .....

TELECOMMUNICATIONS -- 0.4%  
 50,000 Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B ....  
 120,000 Crown Castle International Corp., 6.250% Cv. Pfd. ....

TRANSPORTATION -- 0.1%  
 1,500 GATX Corp., \$2.50 Cv. Pfd. ....  
 982 Kansas City Southern, 4.250% Cv. Pfd. ....

TOTAL CONVERTIBLE PREFERRED STOCKS .....

PRINCIPAL  
 AMOUNT  
 -----

CONVERTIBLE CORPORATE BONDS -- 1.5%  
 AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.0%  
 \$ 500,000 Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09 .....

BROADCASTING -- 0.5%  
 100,000 LIN Television Corp., Sub. Deb. Cv., 2.500%, 05/15/33 ....  
 13,000,000 Sinclair Broadcast Group Inc., Sub. Deb. Cv., 6.000%, 09/15/12 .....

COMMUNICATIONS EQUIPMENT -- 0.5%  
 10,000,000 Agere Systems Inc., Sub. Deb. Cv., 6.500%, 12/15/09 .....

ENTERTAINMENT -- 0.1%  
 1,500,000 The Walt Disney Co., Cv., 2.125%, 04/15/23 .....

REAL ESTATE -- 0.0%  
 1,100,000 Palm Harbor Homes Inc., Cv., 3.250%, 05/15/24 .....

RETAIL -- 0.2%  
 5,000,000 The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11 .....

TELECOMMUNICATIONS -- 0.2%  
 5,000,000 Nortel Networks Corp., Cv., 4.250%, 09/01/08 .....

TOTAL CONVERTIBLE CORPORATE BONDS .....

SHARES  
 -----

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WARRANTS -- 0.0%  
 FOOD AND BEVERAGE -- 0.0%  
 650 Parmalat SpA, GDR, expire 12/31/15+ (b) (c) (d) .....

See accompanying notes to schedule of investments.

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THE GABELLI DIVIDEND & INCOME TRUST  
 SCHEDULE OF INVESTMENTS (CONTINUED)  
 MARCH 31, 2008 (UNAUDITED)

PRINCIPAL AMOUNT -----	
	U.S. GOVERNMENT OBLIGATIONS -- 4.6%
	U.S. TREASURY BILLS -- 4.1%
\$ 92,146,000	U.S. Treasury Bills, 0.446% to 3.186%+, 04/03/08 to 09/04/08 .....
	U.S. TREASURY NOTES -- 0.5%
11,360,000	U.S. Treasury Note, 5.000%, 07/31/08 .....
	TOTAL U.S. GOVERNMENT OBLIGATIONS .....
TOTAL INVESTMENTS -- 100.0%	
(Cost \$2,026,615,202) .....	
	Aggregate book cost .....
	Gross unrealized appreciation .....
	Gross unrealized depreciation .....
	Net unrealized appreciation/depreciation .....

- 
- (a) Security considered an affiliated holding because the Fund owns at least 5% of its outstanding shares.
  - (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2008, the market value of Rule 144A securities amounted to \$3,382,821 or 0.15% of total investments. Except as noted in (c), these securities are liquid.
  - (c) At March 31, 2008, the Fund held investments in restricted securities amounting to \$1,310,792 or 0.06% of total investments, which were valued

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under methods approved by the Board of Trustees as follows:

ACQUISITION SHARES	ISSUER	ACQUISITION DATE
339,450	Parmalat SpA, GDR .....	12/02/03
650	Parmalat SpA, GDR warrants expire 12/31/15 .....	11/09/05

(d) Security fair valued under procedures established by the Board of Trustees. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At March 31, 2008, the market value of fair valued securities amounted to \$1,414,337 or 0.06% of total investments.

+ Non-income producing security.

++ Represents annualized yield at date of purchase.

ADR American Depositary Receipt

GDR Global Depositary Receipt

GEOGRAPHIC DIVERSIFICATION	% OF MARKET VALUE	MARKET VALUE
North America .....	77.9%	\$1,739,611,624
Europe .....	15.0	334,614,131
Latin America .....	3.4	74,533,223
Japan .....	3.0	67,747,392
Asia/Pacific .....	0.7	16,172,800
Total Investments .....	100.0%	\$2,232,679,170
	=====	=====

See accompanying notes to schedule of investments.

THE GABELLI DIVIDEND & INCOME TRUST  
NOTES TO SCHEDULE OF INVESTMENTS (UNAUDITED)

1. SECURITY VALUATION. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the "Board") so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio

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securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC, the Adviser.

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board.

### ADOPTION OF STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 157 "FAIR VALUE MEASUREMENTS" ("SFAS 157")

On January 1, 2008, the Fund adopted SFAS 157 that clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- o Level 1 - quoted prices in active markets for identical securities;
- o Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- o Level 3 - significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used to value the Fund's net assets as of March 31, 2008 is as follows:

VALUATION INPUTS	INVESTMENTS IN SECURITIES (MARKET VALUE)	OTHER FINANCIAL INSTRUMENTS (UNREALIZED DEPRECIATION) *
Level 1 - Quoted Prices	\$2,093,834,949	--
Level 2 - Other Significant Observable Inputs	138,844,221	\$ (3,597,600)
<b>Total</b>	<b>\$2,232,679,170</b>	<b>\$ (3,597,600)</b>

\* Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as futures, forwards and swaps which are valued at the unrealized appreciation/depreciation on the investment.

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THE GABELLI DIVIDEND & INCOME TRUST  
 NOTES TO SCHEDULE OF INVESTMENTS (CONTINUED) (UNAUDITED)

2. SWAP AGREEMENTS. The Fund may enter into equity, contract for difference, and interest rate swap or cap transactions. The use of swaps and caps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio transactions. In an interest rate swap, the Fund would agree to pay to the other party to the interest rate swap (which is known as the "counterparty") periodically a fixed rate payment in exchange for the counterparty agreeing to pay to the Fund periodically a variable rate payment that is intended to approximate the Fund's variable rate payment obligation on Series B Preferred Shares. In an interest rate cap, the Fund would pay a premium to the counterparty and, to the extent that a specified variable rate index exceeds a predetermined fixed rate, would receive from that counterparty payments of the difference based on the notional amount of such cap. In a swap, a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. Swap and cap transactions introduce additional risk because the Fund would remain obligated to pay preferred stock dividends when due in accordance with the Statement of Preferences even if the counterparty defaulted. If there is a default by the counterparty to a swap contract, the Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to a swap contract or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize this risk. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time a swap or cap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction.

The use of derivative instruments may involve, to varying degrees, elements of market and counterparty risk in excess of the amount recognized below.

The Fund has entered into an interest rate swap agreement with Citibank N.A. Under the agreement the Fund receives a variable rate of interest and pays a respective fixed rate of interest on the nominal value of the swap. Details of the swap at March 31, 2008 are as follows:

NOTIONAL AMOUNT	FIXED RATE	FLOATING RATE*/ (RATE RESET MONTHLY)	TERMI D
\$ 100,000,000	4.01%	3.11938%	06/

\* Based on Libor (London Interbank Offered Rate).

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The Fund has entered into contract for difference swaps with Bear, Stearns International Limited. Details of the swaps at March 31, 2008 are as follows:

NOTIONAL AMOUNT	EQUITY SECURITY RECEIVED	INTEREST RATE/ EQUITY SECURITY PAID	TERMI DA
	Market Value	Overnight LIBOR plus 40 bps plus	
	Appreciation on:	Market Value Depreciation on:	
\$ 788,988 (50,000 shares)	Scottish & Newcastle plc	Scottish & Newcastle plc	12/1
3,655,324 (320,000 shares)	Cadbury Schweppes plc	Cadbury Schweppes plc	02/1

3. TAX INFORMATION. Under the current tax law, capital and currency losses realized after October 31 and prior to the Fund's fiscal year end may be deferred as occurring on the first day of the following fiscal year. Post October currency losses at December 31, 2007 were \$99,471.

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TRUSTEES AND OFFICERS  
THE GABELLI DIVIDEND & INCOME TRUST  
ONE CORPORATE CENTER, RYE, NY 10580-1422

TRUSTEES

Mario J. Gabelli, CFA  
CHAIRMAN & CHIEF EXECUTIVE OFFICER,  
GAMCO INVESTORS, INC.

Anthony J. Colavita  
ATTORNEY-AT-LAW,  
ANTHONY J. COLAVITA, P.C.

James P. Conn  
FORMER MANAGING DIRECTOR &  
CHIEF INVESTMENT OFFICER,  
FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.

Mario d'Urso  
CHAIRMAN, MITTEL CAPITAL MARKETS SPA

Frank J. Fahrenkopf, Jr.  
PRESIDENT & CHIEF EXECUTIVE OFFICER,  
AMERICAN GAMING ASSOCIATION

Michael J. Melarkey  
ATTORNEY-AT-LAW,  
AVANSINO, MELARKEY, KNOBEL & MULLIGAN

OFFICERS

Bruce N. Alpert  
PRESIDENT

Carter W. Austin  
VICE PRESIDENT

Peter D. Goldstein  
CHIEF COMPLIANCE OFFICER

Agnes Mullady  
TREASURER AND SECRETARY

INVESTMENT ADVISER  
Gabelli Funds, LLC  
One Corporate Center  
Rye, New York 10580-1422

CUSTODIAN  
State Street Bank and Trust Company

COUNSEL  
Skadden, Arps, Slate, Meagher & Flom LLP

TRANSFER AGENT AND REGISTRAR

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Salvatore M. Salibello  
CERTIFIED PUBLIC ACCOUNTANT,  
SALIBELLO & BRODER, LLP

Computershare Trust Company, N.A.

STOCK EXCHANGE LISTING

Edward T. Tokar  
SENIOR MANAGING DIRECTOR,  
BEACON TRUST COMPANY

5.875%  
Common  
-----  
Preferre

Anthonie C. van Ekris  
CHAIRMAN, BALMAC INTERNATIONAL, INC.

NYSE-Symbol: GDV  
Shares Outstanding: 83,802,037  
-----  
GDV PrA  
3,200,00

Salvatore J. Zizza  
CHAIRMAN, ZIZZA & CO., LTD.

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "General Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "General Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

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For general information about the Gabelli Funds, call 800-GABELLI (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: [WWW.GABELLI.COM](http://WWW.GABELLI.COM), or e-mail us at: [closedend@gabelli.com](mailto:closedend@gabelli.com)  
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Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase its common shares in the open market when the Fund's shares are trading at a discount of 7.5% or more from the net asset value of the shares. The Fund may also, from time to time, purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.  
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THE GABELLI DIVIDEND & INCOME TRUST  
ONE CORPORATE CENTER  
RYE, NY 10580-1422  
(914) 921-5070  
[WWW.GABELLI.COM](http://WWW.GABELLI.COM)

FIRST QUARTER REPORT  
MARCH 31, 2008

GDV 1Q/2008

### ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR

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270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) The Gabelli Dividend & Income Trust

By (Signature and Title)\* /s/ Bruce N. Alpert

Bruce N. Alpert, Principal Executive Officer

Date May 27, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* /s/ Bruce N. Alpert

Bruce N. Alpert, Principal Executive Officer

Date May 27, 2008

By (Signature and Title)\* /s/ Agnes Mullady

Agnes Mullady,  
Principal Financial Officer and Treasurer

Date May 27, 2008

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\* Print the name and title of each signing officer under his or her signature.