

**NFJ Dividend, Interest & Premium Strategy Fund
(the “Fund”)**

Cusip: 65337H109

The Fund’s previously declared (September 12, 2008) distribution of \$0.525 per share was paid or reinvested on September 26, 2008 to shareholders of record on September 22, 2008. Fund Management estimates that \$0.4649 per share of the distribution is from net investment income and \$0.0601 per share is from net profits from the sale of portfolio securities or other capital gains. These estimates are calculated on “book basis” reporting.

At September 16, 2008, and after giving effect to the distribution, the sum of the Fund’s accumulated net realized losses and net unrealized depreciation of portfolio securities approximated \$(318.9) million of which approximately \$(284.2) million represents unrealized depreciation of portfolio securities.

Important Tax Information – Under U.S. tax accounting rules, the amount of distributable income for the Fund’s fiscal year can only be determined as of the fiscal year end; therefore, the characteristics of this distribution likely will be different for tax purposes. The final determination of the tax characteristics of all 2008 calendar year distributions will not be made until after December 31, 2008. In January 2009, Form 1099 DIV (or substitute Form 1099 DIV) will be sent to shareholders that will state the aggregate amount and tax characterization of distributions for the 2008 calendar year.

Broker/Dealers – Please forward this notice (with the distribution, if applicable) to your clients who received this distribution.