

CHARTWELL DIVIDEND & INCOME FUND INC

Form N-Q

October 27, 2010

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

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FORM N-Q

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QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

INVESTMENT COMPANY ACT FILE NUMBER 811-8747

CHARTWELL DIVIDEND AND INCOME FUND, INC.  
(Exact name of registrant as specified in charter)

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1235 Westlakes Drive, Suite 400  
Berwyn, PA 19312  
(Address of principal executive offices) (Zip code)

BNY Mellon  
400 Bellevue Parkway  
Wilmington, DE 19809  
Attn: Closed-End Department  
(Name and address of agent for service)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 1-610-296-1400

DATE OF FISCAL YEAR END: NOVEMBER 30, 2010

DATE OF REPORTING PERIOD: AUGUST 31, 2010

ITEM 1. SCHEDULE OF INVESTMENTS

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

	NUMBER OF SHARES	MARKET VALUE
	-----	-----
COMMON STOCK--73.4%		
AEROSPACE & DEFENSE--2.4%		
Honeywell International, Inc. ....	25,000	\$ 977,250
United Technologies Corporation .....	10,000	652,100
		-----
		1,629,350
		-----

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AIR FREIGHT & LOGISTICS--0.9%		
United Parcel Service, Inc., Class B .....	10,000	638,000
		-----
BANKS--2.3%		
JPMorgan Chase & Company .....	42,000	1,527,120
		-----
BASIC INDUSTRY--3.5%		
Dow Chemical Company .....	25,000	609,250
EI du Pont de Nemours & Company .....	20,000	815,400
PPG Industries, Inc. ....	15,000	987,450
		-----
		2,412,100
		-----
BEVERAGES--2.2%		
Coca-Cola Company .....	15,000	838,800
PepsiCo, Inc. ....	10,000	641,800
		-----
		1,480,600
		-----
COMMERCIAL SERVICES & SUPPLIES--0.7%		
Waste Management, Inc. ....	15,000	496,350
		-----
COMMUNICATIONS EQUIPMENT--0.6%		
QUALCOMM, Inc. ....	10,000	383,100
		-----
COMPUTERS & PERIPHERALS--2.3%		
Hewlett-Packard Company .....	35,000	1,346,800
International Business Machines Corporation .....	2,000	246,460
		-----
		1,593,260
		-----
ELECTRICAL EQUIPMENT--1.4%		
Emerson Electric Company .....	20,000	933,000
		-----
ENERGY--8.3%		
Energy Transfer Partners LP (A) .....	41,500	1,896,135
Enterprise Products Partners LP (A) .....	20,000	739,400
Exxon Mobil Corporation .....	20,000	1,183,200
Occidental Petroleum Corporation .....	20,800	1,520,064
Williams, Inc. ....	20,000	362,600
		-----
		5,701,399
		-----
FINANCIAL--9.2%		
ACE Limited .....	20,000	1,069,400
Apollo Investment Corporation .....	50,000	478,500
Invesco Limited .....	30,000	543,000
Lincoln National Corporation .....	50,000	1,168,000
MetLife, Inc. ....	40,000	1,504,000
NYSE Euronext .....	25,000	693,500

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

NUMBER OF SHARES	MARKET VALUE
---------------------	-----------------

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COMMON STOCK (CONTINUED)		
FINANCIAL (CONTINUED)		
Newco Star Asia Financial Limited SPV * +		
(B) (C) .....	15,000	\$ 40,050
Solar Capital Limited.....	33,695	661,761
Star Asia Financial Limited * + (B) (C) .....	46,169	160,207
		-----
		6,318,418
		-----
FOOD & STAPLES RETAILING--1.2%		
CVS Caremark Corporation .....	30,000	810,000
		-----
FOOD, BEVERAGE & TOBACCO--2.2%		
Altria Group, Inc. ....	30,000	669,600
Kraft Foods, Inc., Class A .....	10,000	299,500
Philip Morris International, Inc. ....	10,000	514,400
		-----
		1,483,500
		-----
HEALTHCARE--7.6%		
Abbott Laboratories.....	30,000	1,480,200
Bristol-Myers Squibb Company .....	55,000	1,434,400
Merck & Company, Inc. ....	20,000	703,200
Pfizer, Inc. ....	100,000	1,593,000
		-----
		5,210,800
		-----
INDUSTRIAL CONGLOMERATES--3.8%		
3M Company.....	20,000	1,571,000
General Electric Company .....	70,000	1,013,600
		-----
		2,584,600
		-----
IT SERVICES--0.4%		
Paychex, Inc. ....	10,000	248,900
		-----
LEISURE EQUIPMENT & PRODUCTS--0.5%		
Mattel, Inc. ....	15,000	314,850
		-----
MACHINERY--1.9%		
Caterpillar, Inc. ....	20,000	1,303,200
		-----
MULTILINE RETAIL--1.5%		
JC Penney Company, Inc. ....	10,000	200,000
Target Corporation .....	16,000	818,560
		-----
		1,018,560
		-----
PERSONAL PRODUCTS--2.1%		
Avon Products, Inc. ....	50,000	1,455,000
		-----
REAL ESTATE INVESTMENT TRUSTS--2.8%		
Annaly Mortgage Management, Inc. ....	52,900	919,402
MFA Mortgage Investments, Inc. ....	138,000	1,017,060
		-----
		1,936,462
		-----
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT--2.2%		

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Intel Corporation .....	30,000	531,600
Microchip Technology, Inc. ....	35,000	969,150
		-----
		1,500,750
		-----

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

	NUMBER OF SHARES/ PRINCIPAL AMOUNT	MARKET VALUE
	-----	-----
COMMON STOCK (CONTINUED)		
SOFTWARE--1.0%		
Microsoft Corporation .....	30,000	\$ 704,400
		-----
SPECIALTY RETAIL--2.3%		
Limited Brands, Inc. ....	68,300	1,611,880
		-----
TELECOMMUNICATIONS--4.3%		
AT&T, Inc. ....	45,000	1,216,350
Frontier Communications Corporation .....	128,600	994,078
Verizon Communications, Inc. ....	25,000	737,750
		-----
		2,948,178
		-----
TRANSPORTATION--1.9%		
General Maritime Corporation .....	105,000	469,350
Nordic American Tanker Shipping .....	10,000	264,700
Seaspan Corporation .....	50,000	561,000
		-----
		1,295,050
		-----
UTILITIES--3.2%		
Southern Company .....	60,000	2,201,400
		-----
WIRELESS TELECOMMUNICATION SERVICES--0.7%		
Vodafone Group PLC .....	20,000	483,600
		-----
TOTAL COMMON STOCK (COST \$50,610,938) .....		50,223,827
		-----
EXCHANGE TRADED FUND--2.0%		
SPDR KBW Bank .....	65,000	1,403,350
		-----
TOTAL EXCHANGE TRADED FUND (COST \$871,731) .....		1,403,350
		-----
PREFERRED STOCK--0.0%		
FINANCIAL--0.0%		
Solar Cayman Limited ** (B) .....	80,000	26,400
		-----
TOTAL PREFERRED STOCK (COST \$604,763) .....		26,400
		-----

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CORPORATE NOTES/BONDS--52.8%		
AEROSPACE & DEFENSE--0.7%		
DynCorp International, Inc. +		
10.375%, 07/01/17 .....	\$ 500,000	500,000
		-----
BANKS--0.7%		
PHH Corporation +		
9.250%, 03/01/16 .....	500,000	508,125
		-----
BASIC INDUSTRY--4.4%		
Aquilex Holdings LLC +		
11.125%, 12/15/16 .....	500,000	496,875
Cascades, Inc.		
7.750%, 12/15/17 .....	500,000	517,500
H&E Equipment Services, Inc.		
8.375%, 07/15/16 .....	675,000	664,875
United Rentals North America, Inc.		
10.875%, 06/15/16 .....	270,000	301,050

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

	PRINCIPAL AMOUNT	MARKET VALUE
	-----	-----
CORPORATE NOTES/BONDS (CONTINUED)		
BASIC INDUSTRY (CONTINUED)		
WireCo WorldGroup +		
9.500%, 05/15/17 .....	\$ 1,000,000	\$ 1,012,500
		-----
		2,992,800
		-----
BUILDING MATERIALS--1.2%		
Gibraltar Industries, Inc.		
8.000%, 12/01/15 .....	840,000	808,500
		-----
CABLE TELEVISION--3.5%		
Cequel Communications Holdings I LLC and Cequel Capital Corporation +		
8.625%, 11/15/17 .....	1,000,000	1,025,000
CSC Holdings, Inc.		
7.875%, 02/15/18 .....	550,000	594,000
Mediacom Broadband LLC		
8.500%, 10/15/15 .....	750,000	748,125
		-----
		2,367,125
		-----
CONSTRUCTION MATERIALS--1.2%		
Headwaters, Inc.		
11.375%, 11/01/14 .....	750,000	795,000
		-----
CONSUMER FINANCE--1.1%		
Credit Acceptance Corporation +		
9.125%, 02/01/17 .....	740,000	770,525

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CONSUMER STAPLES--0.5%		
Dean Foods Company		
7.000%, 06/01/16 .....	300,000	282,750
Regal Entertainment Group		
9.125%, 08/15/18 .....	95,000	97,850
		-----
		380,600
		-----
ELECTRICAL EQUIPMENT--0.7%		
Belden, Inc.		
7.000%, 03/15/17 .....	500,000	505,000
		-----
ENERGY--4.8%		
Concho Resources, Inc.		
8.625%, 10/01/17 .....	500,000	525,000
Copano Energy LLC		
8.125%, 03/01/16 .....	435,000	441,525
Crosstex Energy LP		
8.875%, 02/15/18 .....	275,000	285,313
Linn Energy LLC		
9.875%, 07/01/18 .....	185,000	203,500
Niska Gas Storage US LLC +		
8.875%, 03/15/18 .....	500,000	528,750
Plains Exploration & Production Company		
7.625%, 06/01/18 .....	500,000	509,375

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

	PRINCIPAL AMOUNT	MARKET VALUE
	-----	-----
CORPORATE NOTES/BONDS (CONTINUED)		
ENERGY (CONTINUED)		
Range Resources Corporation		
7.500%, 05/15/16 .....	\$ 750,000	\$ 783,750
		-----
		3,277,213
		-----
FINANCIAL--1.1%		
Penson Worldwide, Inc. +		
12.500%, 05/15/17 .....	750,000	744,375
		-----
FIREARMS AND AMMUNITION--0.8%		
Colt Defense LLC +		
8.750%, 11/15/17 .....	750,000	538,125
		-----
GAMING--2.2%		
MTR Gaming Group, Inc.		
9.000%, 06/01/12 .....	700,000	619,500
Seneca Gaming Corporation		
7.250%, 05/01/12 .....	500,000	488,750
Yonkers Racing Corporation +		
11.375%, 07/15/16 .....	360,000	388,800

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		-----
		1,497,050
		-----
HEALTH CARE PROVIDERS & SERVICES--0.3%		
Health Net, Inc.		
6.375%, 06/01/17 .....	250,000	243,125
		-----
HOUSEHOLD PRODUCTS--0.4%		
Spectrum Brands Holdings, Inc. +		
9.500%, 06/15/18 .....	240,000	252,900
		-----
INTERNET SOFTWARE & SERVICES--0.8%		
Equinix, Inc.		
8.125%, 03/01/18 .....	500,000	525,000
		-----
LIFE SCIENCES TOOLS & SERVICES--1.5%		
Patheon, Inc. +		
8.625%, 04/15/17 .....	1,000,000	1,001,250
		-----
MACHINERY--1.2%		
Cleaver-Brooks, Inc. +		
12.250%, 05/01/16 .....	600,000	620,250
Trimas Corporation +		
9.750%, 12/15/17 .....	170,000	176,375
		-----
		796,625
		-----
METALS & MINING--1.5%		
Cloud Peak Energy Resources LLC +		
8.500%, 12/15/19 .....	1,000,000	1,043,750
		-----
MORTGAGE BANKS--0.7%		
Provident Funding Associates +		
10.250%, 04/15/17 .....	500,000	511,250
		-----

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

	PRINCIPAL AMOUNT	MARKET VALUE
	-----	-----
CORPORATE NOTES/BONDS (CONTINUED)		
OIL & FIELD SERVICES--3.8%		
Cie Generale de Geophysique		
7.750%, 05/15/17 .....	\$ 500,000	\$ 498,750
Complete Production Services, Inc.		
8.000%, 12/15/16 .....	780,000	793,650
Hornbeck Offshore Services, Inc.		
8.000%, 09/01/17 .....	900,000	850,500
Offshore Group Investments Limited +		
11.500%, 08/01/15 .....	500,000	501,250
		-----
		2,644,150
		-----

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OIL REFINING AND MARKETING--0.8%		
Coffeyville Resources LLC +		
10.875%, 04/01/17 .....	200,000	203,500
9.000%, 04/01/15 .....	300,000	309,750
		-----
		513,250
		-----
PAPER & FOREST PRODUCTS--4.5%		
Appleton Papers, Inc. +		
10.500%, 06/15/15 .....	1,000,000	932,500
P H Glatfelter		
7.125%, 05/01/16 .....	940,000	950,575
PE Paper Escrow +		
12.000%, 08/01/14 .....	250,000	282,633
U.S. Corrugated (B)		
10.000%, 06/01/13 .....	1,000,000	880,000
		-----
		3,045,708
		-----
REAL ESTATE--1.1%		
Cedar Fair LP +		
9.125%, 08/01/18 .....	750,000	766,875
		-----
RETAIL--1.5%		
Couche-Tard US LP		
7.500%, 12/15/13 .....	500,000	510,625
Susser Holdings LLC +		
8.500%, 05/15/16 .....	500,000	515,000
		-----
		1,025,625
		-----
SERVICES--1.7%		
KAR Holdings, Inc.		
8.750%, 05/01/14 .....	770,000	795,025
Mobile Mini, Inc.		
9.750%, 08/01/14 .....	350,000	364,438
		-----
		1,159,463
		-----
TELECOMMUNICATIONS--2.9%		
Cincinnati Bell, Inc.		
8.750%, 03/15/18 .....	1,000,000	960,000

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

PRINCIPAL AMOUNT/ NUMBER OF SHARES/ WRITTEN CONTRACTS	MARKET VALUE
-----	-----

CORPORATE NOTES/BONDS (CONTINUED)  
TELECOMMUNICATIONS (CONTINUED)



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Hughes Network Systems LLC		
9.500%, 04/15/14 .....	\$1,000,000	\$ 1,037,500
		-----
		1,997,500
		-----
TRADING COMPANIES & DISTRIBUTORS--0.7%		
Aircastle Limited +		
9.750%, 08/01/18 .....	500,000	508,750
		-----
TRANSPORTATION--1.7%		
American Petroleum Tankers LLC +		
10.250%, 05/01/15 .....	750,000	763,125
Marquette Transportation Company +		
10.875%, 01/15/17 .....	400,000	407,000
		-----
		1,170,125
		-----
UTILITIES--4.8%		
Edison Mission Energy		
7.000%, 05/15/17 .....	650,000	446,875
Elwood Energy LLC		
8.159%, 07/05/26 .....	799,396	739,441
Ferrellgas Partners LP		
9.125%, 10/01/17 .....	100,000	107,500
6.750%, 05/01/14 .....	400,000	404,000
North American Energy Alliance LLC +		
10.875%, 06/01/16 .....	400,000	434,000
Sierra Pacific Resources		
8.625%, 03/15/14 .....	750,000	775,312
Southern Star Central Corporation		
6.750%, 03/01/16 .....	350,000	354,375
		-----
		3,261,503
		-----
TOTAL CORPORATE NOTES/BONDS (COST \$36,420,734) .....		36,151,287
		-----
CASH EQUIVALENT--0.4%		
Wells Fargo Advantage Cash Investment		
Money Market Fund, Class I, 0.210% (D) .....	241,350	241,350
		-----
TOTAL CASH EQUIVALENT (COST \$241,350) .....		241,350
		-----
TOTAL INVESTMENTS - 128.6% (COST \$88,749,516) ** .....		\$88,046,214
		-----
COVERED CALL OPTIONS WRITTEN--(0.1)%		
3M Company, Expires: 09/18/10, Strike Price: \$85 .....	(200)	(2,400)
Annaly Capital Management, Inc., Expires:		
09/18/10, Strike Price: \$18 .....	(300)	(2,100)
Bristol-Myers Squibb, Expires: 09/18/10, Strike		
Price: \$27 .....	(500)	(8,000)

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

SCHEDULE OF INVESTMENTS (UNAUDITED)

WRITTEN  
CONTRACTS                      MARKET  
   VALUE

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COVERED CALL OPTIONS WRITTEN (CONTINUED)		
Caterpillar, Inc., Expires: 09/18/10, Strike Price:		
\$70 .....	(200)	\$ (6,800)
Du Pont, Expires: 09/18/10, Strike Price: \$42 .....	(100)	(4,700)
Emerson Electric Company, Expires: 09/18/10,		
Strike Price: \$55 .....	(200)	(1,000)
Hewlett-Packard Company, Expires: 09/18/10,		
Strike Price: \$43 .....	(59)	(413)
Limited Brands, Inc., Expires: 09/18/10, Strike		
Price: \$27 .....	(200)	(2,000)
Mattel, Inc., Expires: 09/18/10, Strike Price:		
\$23 .....	(150)	(600)
Microchip Technology, Inc., Expires: 09/18/10,		
Strike Price: \$30 .....	(150)	(1,500)
S&P 500 Index, Expires: 09/18/10, Strike Price:		
\$1,120 .....	(300)	(36,000)
Southern Company, Expires: 09/18/10, Strike		
Price: \$36 .....	(300)	(24,000)
-----		
TOTAL COVERED CALL OPTIONS WRITTEN		
(PREMIUMS RECEIVED \$293,570) .....		(89,513)
-----		
OTHER LIABILITIES IN EXCESS OF ASSETS--(28.5)% +++ ...		(19,505,336)
-----		
NET ASSETS--100.0% .....		\$ 68,451,365
=====		

\* NON-INCOME PRODUCING SECURITY.

+ SECURITIES ARE EXEMPT FROM REGISTRATION UNDER RULE 144A OF THE SECURITIES ACT OF 1933. THESE SECURITIES MAY BE RESOLD IN TRANSACTIONS EXEMPT FROM REGISTRATION NORMALLY TO QUALIFIED INSTITUTIONS. AT AUGUST 31, 2010, THESE SECURITIES AMOUNTED TO \$15,969,890, OR 23.3% OF NET ASSETS.

(A) SECURITIES CONSIDERED MASTER LIMITED PARTNERSHIP. AT AUGUST 31, 2010, THESE SECURITIES AMOUNTED TO \$2,635,535 OR 3.9% OF NET ASSETS.

(B) SECURITIES FAIR VALUED IN ACCORDANCE WITH THE FAIR VALUE PROCEDURES, AT AUGUST 31, 2010 THESE SECURITIES AMOUNTED TO \$1,106,657 OR 1.6% OF NET ASSETS.

(C) SECURITY IS ILLIQUID. THE TOTAL VALUE OF ILLIQUID SECURITIES AS OF AUGUST 31, 2010 WAS \$200,257 OR 0.3% OF NET ASSETS.

(D) THE RATE REPORTED IS THE 7-DAY EFFECTIVE YIELD AS OF AUGUST 31, 2010.

LLC LIMITED LIABILITY COMPANY  
LP LIMITED PARTNERSHIP  
PLC PUBLIC LIMITED COMPANY  
SPDR STANDARD & POOR'S DEPOSITARY RECEIPT  
SPV SPECIAL PURPOSE VEHICLE

\*\* AT AUGUST 31, 2010, THE TAX BASIS COST OF THE FUND'S INVESTMENTS WAS \$88,749,516, AND THE UNREALIZED APPRECIATION AND DEPRECIATION WERE \$6,696,277 AND \$(7,399,579), RESPECTIVELY.

+++ AS OF AUGUST 31, 2010, THE FUND HAD \$20 MILLION IN BORROWINGS OUTSTANDING PURSUANT TO A \$25 MILLION LINE OF CREDIT WITH A BANK. BORROWINGS UNDER THE LINE OF CREDIT ARE SECURED BY A PERFECTED SECURITY INTEREST ON ALL OF THE

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FUND'S ASSETS. THE LINE OF CREDIT BEARS A VARIABLE INTEREST RATE EQUAL TO THE 1-MONTH LIBOR MARKET INDEX RATE PLUS 0.90% PER ANNUM AND THERE IS A 0.10% PER ANNUM COMMITMENT FEE ON THE UNUSED BALANCE.

CHARTWELL DIVIDEND & INCOME FUND, INC.

AUGUST 31, 2010

### SCHEDULE OF INVESTMENTS (UNAUDITED)

THE FOLLOWING TABLE SETS FORTH INFORMATION ABOUT THE LEVEL OF THE FUND'S INVESTMENTS IN ACCORDANCE WITH ASC 820 AT AUGUST 31, 2010:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
INVESTMENTS IN SECURITIES				
COMMON STOCK	\$50,023,570	\$ --	\$ 200,257 (1)	\$50,223,827
EXCHANGE TRADED FUND	1,403,350	--	--	1,403,350
PREFERRED STOCK	--	--	26,400 (1)	26,400
CORPORATE NOTES/BONDS	--	35,271,287	880,000 (2)	36,151,287
CASH EQUIVALENT	--	241,350	--	241,350
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>\$51,426,920</b>	<b>\$35,512,637</b>	<b>\$1,106,657</b>	<b>\$88,046,214</b>

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
LIABILITIES				
WRITTEN OPTIONS	\$ (89,513)	\$ --	\$ --	\$ (89,513)
<b>TOTAL LIABILITIES</b>	<b>\$ (89,513)</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ (89,513)</b>

(1) CLASSIFIED AS FINANCIAL.

(2) CLASSIFIED AS PAPER & FOREST PRODUCTS

THERE HAVE BEEN NO SIGNIFICANT TRANSFERS BETWEEN THE LEVELS.

THE FOLLOWING IS A RECONCILIATION OF THE INVESTMENTS IN WHICH SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) WERE USED IN DETERMINING VALUE:

	COMMON STOCK	CORPORATE NOTES/BONDS	PREFERRED STOCK	TOTAL
BEGINNING BALANCE AS OF 05/31/10	\$146,475	\$900,000	\$26,400	\$1,072,875
REALIZED GAIN (LOSS)	--	--	--	--
CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)	53,782	(20,000)	--	33,782
NET PURCHASES	--	--	--	--
NET SALES	--	--	--	--
NET TRANSFERS INTO LEVEL 3	--	--	--	--

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NET TRANSFERS OUT OF LEVEL 3	--	--	--	--
	-----	-----	-----	-----
ENDING BALANCE AS OF 08/31/10	\$200,257	\$880,000	\$26,400	\$1,106,65
	=====	=====	=====	=====

SUBSEQUENT EVENT

IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN FASB STATEMENT OF FINANCIAL ACCOUNTING STANDARDS ASC 855 "SUBSEQUENT EVENTS," MANAGEMENT HAS DETERMINED THAT NO MATERIAL EVENTS OR TRANSACTIONS OCCURRED SUBSEQUENT TO AUGUST 31, 2010, THAT WOULD REQUIRE ADDITIONAL DISCLOSURE IN THE FUND'S SCHEDULE OF INVESTMENTS.

FOR INFORMATION ON THE FUND'S POLICY REGARDING VALUATION OF INVESTMENTS, FAIR VALUE HIERARCHY AND OTHER SIGNIFICANT ACCOUNTING POLICIES, PLEASE REFER TO NOTE 1 OF THE FUND'S MOST RECENT SEMI-ANNUAL OR ANNUAL FINANCIAL STATEMENTS.

ITEM 2. CONTROLS AND PROCEDURES

(a) The registrant's principal executive officer and principal financial officer 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")) are effective as of a date within 90 days of the filing of this 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 and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes in the registrant's internal control over financial reporting 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.

(a) A separate certification for the principal executive officer and the principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940, as amended (17 CFR 270.30a-2(a)), are filed herewith.

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) Chartwell Dividend and Income Fund, Inc.

By (Signature and Title)\* /s/ Winthrop S. Jessup  
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Winthrop S. Jessup, President  
(Principal Executive Officer)

Date October 20, 2010

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

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following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\*

/s/ Winthrop S. Jessup

-----  
Winthrop S. Jessup, President  
(Principal Executive Officer)

Date October 20, 2010

By (Signature and Title)\*

/s/ G. Gregory Hagar

-----  
G. Gregory Hagar, Vice President and CFO  
(Principal Financial Officer)

Date October 20, 2010

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