FPA Funds

Memorandum

To: Dividend Distribution

From: FPA Funds – Mutual Fund Operations

(310) 996-5425, (310) 996-5426

Date: April 1, 2014

Re: FPA New Income, Inc. (FPNIX, #78)

The Dividend rate for FPA New Income, Inc. has been declared as the following.

FPA New Income, Inc. (FPNIX) **$0.08 income per share**

Record Date	03/31/2014
Ex-Date	04/01/2014 (Reinvestment date)
Pay Date	04/02/2014

No dividend income for FPA Capital Fund, Inc., FPA Crescent Fund, FPA International Value Fund, FPA Paramount Fund, Inc., and FPA Perennial Fund, Inc.

Please contact your tax advisor to review the impact of these capital gains on your situations and discuss possible tax strategies.

Investing in a mutual fund involves risks, including the possible loss of principal. The Prospectus details the Fund's objective and policies, and other matters of interest to the prospective investor. Please read this Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at www.fpafunds.com, by email at crm@fpafunds.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

FPA Funds are distributed by UMB Distribution Services, LLC