

The Depository Trust Company
IMPORTANT

B#: 2730
DATE: November 21, 2001
TO: All Participants
CATEGORY: Dividends
FROM: Nilesh Desai, Supervisor, Dividend Department
ATTENTION: Dividend Managers, Cashiers and Reorganization Managers
SUBJECT: Optional Dividend: Tri-Continental Corporation
CUSIP #: 895436103 R/D: 12/10/01 P/D: 12/17/01
Rate: \$1.01 (long-term capital gain) in Stock or Cash
DTC Cut-off: 12/12/01

******* WARNING TIME CRITICAL *******

Participants who have positions in the above captioned security may elect to receive the dividend distribution of \$1.01 long-term capital gain in stock or cash, as follows:

Option #1 Stock You may elect to receive additional Common Shares of Tri-Continental Corporation for the total of \$ 1.01 per share of Common Stock with fractional shares to be paid in cash.

THIS STOCK ELECTION PROVIDES FOR SUB ACCOUNTING ON THE "EDS" FUNCTION

Option #2 Stock & Cash You may elect to receive additional Common Shares of Tri-Continental Corporation for 75% of the distribution in stock with cash in lieu of fractions and 25% of the distribution in cash.

THIS STOCK ELECTION PROVIDES FOR SUB ACCOUNTING ON THE "EDS" FUNCTION

Option #3 Cash You may elect to receive the total of \$ 1.01 in cash per share of Common Stock held.

PARTICIPANTS SHOULD SUBMIT ELECTION INSTRUCTIONS OVER THE PARTICIPANT TERMINAL SYSTEM (PTS) THROUGH THE ELECTIVE DIVIDEND SYSTEM (EDS) FUNCTION.

(over)

B#

2730

***Participants not responding to the above option by 12/12/01, will receive the mandatory distribution in accordance with Option #1 (Stock). Fractional shares will be paid in cash.**

To confirm your Record Date positions, participants should access the Dividend and Allocation History (DPAL) Option, via the PTS Dividend Announcements Inquiry (DIVA) Function.

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, participants should contact Mr. John Mc Carthy or Ms. Janet Tuccillo of DTC's Stock Dividend Department at (212) 855-4521/4533.