

The Depository Trust Company
IMPORTANT

B#: 2942
DATE: January 18, 2002
TO: All Participants
CATEGORY: Dividends
FROM: Nilesh Desai, Supervisor, Dividend Department
ATTENTION: Dividend Managers, Cashiers & Reorganization Managers
SUBJECT: Rights: ISCO International, Inc. R/D: 1/7/02
Common CUSIP#: 46426P103 Rights Contra-CUSIP#: 46426P996
Expires: 2/8/02 (5:00 p.m. New York City time)
Rate: 0.37 of a right for every share of common stock held

***** Warning Time Critical *****

ISCO International, Inc. ("ISCO") is distributing non-transferable rights ("Rights") to its shareholders of record as of the close of business on January 7, 2002 (the "Record Date"). Each shareholder is entitled to 0.37 of a Right for every share of common stock held on the Record Date. No fractional Rights will be issued. The number of Rights issued to shareholders will be rounded down to the nearest whole number.

The Depository Trust Company ("DTC") credited Rights to participants' accounts on January 16, 2002.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY AND PAYMENT INFORMATION.

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS CODE 59) FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND ANY EXTENSIONS TO THE EXPIRATION DATE.

B#:2942

If participants have any questions concerning this Important Notice, please contact Mr. John McCarthy or Ms. Susan Alvino of DTC's Stock Dividend Department at (212) 855-4521/4532.

If participants have any questions regarding the Rights Offering, they may contact McKenzie Partners, Inc. (the "Information Agent") at (800)-322-2885.