

THE DEPOSITORY TRUST COMPANY

IMPORTANT

EXTENDED CUT-OFF: 12:00 NOON N.Y. TIME ON JANUARY 13, 1997

#: B 0064-97

DATE: January 9, 1997

TO: All Participants

FROM: Dividend Department

ATTENTION: Dividend Managers, Cashiers and Reorganization Managers

SUBJECT: Optional Dividend: First Financial Fund, Inc.
CUSIP#: 320228109 R/D: 11/29/96 P/D: 01/14/97
Rate: \$3.57 (Cap Gain; Short Term \$1.52, Long Term \$1.84, Net Investment Income \$0.21) in Stock or Cash.

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

BOSTON EQUISERVE HAS EXTENDED THE CUT-OFF FOR ELECTIONS TO 12:00 NOON N.Y. TIME ON JANUARY 13, 1997. Participants who have positions in the above captioned security, may revise their election to receive the dividend distribution of \$3.57, as follows:

Option #1 (Stock): You may elect to receive additional shares of common stock of the fund, for the total dividend of \$3.57 per share. Fractional shares will be paid in cash. Price to be determined on or after January 10, 1997.

Option #2 (Cash): You may elect to receive \$3.57 in cash per common share held.

PARTICIPANTS WISHING TO REVISE THEIR ELECTION OR DECIDE NOT TO RECEIVE THE MANDATORY DISTRIBUTION IN STOCK MUST FAX THEIR ELECTION ON THEIR LETTERHEAD TO MR JOHN MC CARTHY AT (212) 709-1623 NO LATER THAN 12:00 NOON N.Y. TIME ON JANUARY 13, 1997 & CALL TO CONFIRM RECEIPT OF INSTRUCTIONS. NOTE NO CHANGES MAY BE DONE VIA THE PARTICIPANT TERMINAL SYSTEM (PTS) THROUGH THE ELECTIVE DIVIDEND SYSTEM (EDS) FUNCTION.

PARTICIPANTS NOT RESPONDING PRIOR TO CUT-OFF JANUARY 13, 1997, WILL RECEIVE THE MANDATORY DISTRIBUTION IN ACCORDANCE WITH OPTION #1 (STOCK WITH CASH IN LIEU OF FRACTIONS.)

TO CONFIRM 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 the dividend, please should contact Mr. John McCarthy or Mr. Cesar Garcia of DTC's Dividend Department

Joseph Raniere
Supervisor
Dividend Department