

TRI-CONTINENTAL CORP  
Form POS 8C  
April 13, 2007

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1940 Act File No.: 811-00266

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# U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM N-2

REGISTRATION STATEMENT UNDER SECURITIES ACT OF 1933

Pre-Effective Amendment No. \_\_\_

Post-Effective Amendment No. 5

and/or

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940

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Amendment No. 39

Exact Name of Registrant as Specified in Charter:

# TRI-CONTINENTAL CORPORATION

Address of Principal Executive Offices (Number, Street, City, State, Zip Code):

100 PARK AVENUE, NEW YORK, NY 10017

Registrant's Telephone Number, including Area Code:

(212) 850-1864 or (800) 221-2450

Name and Address (Number, Street, City, State, Zip Code) of Agent for Service:

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**Approximate Date of Proposed Public Offering:**

**As soon as practicable after the effective date of this Registration Statement.**

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If any securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a dividend reinvestment plan, check the following box. "

It is proposed that this filing will become effective (check appropriate box)

- when declared effective pursuant to section 8(c)
- immediately upon filing pursuant to paragraph (b)
- on (date) pursuant to paragraph (b)
- 60 days after filing pursuant to paragraph (a)
- on (date) pursuant to paragraph (a) of Rule 486.

If appropriate, check the following box:

- This Post-Effective Amendment designates a new effective date for a previously filed Post-Effective Amendment or Registration Statement.
  - This Post-Effective Amendment on Form N-2 is filed to register additional securities for an offering pursuant to Rule 462(b)(1) under the Securities Act of 1933 and the Securities Act Registration Statement Number of the earlier effective Registration Statement for the same offering is: \_\_\_\_\_
-

**an investment you can live with**

## Prospectus

May 1, 2007

100 Park Avenue

New York, NY 10017

New York City Telephone (212) 682-7600

Toll-Free Telephone (800) 874-1092

For Retirement Plan Information Toll-Free Telephone (800) 445-1777

Tri-Continental Corporation is a diversified, closed-end investment company a publicly traded investment fund. The Corporation's Common Stock is traded on the New York Stock Exchange under the symbol TY. The closing market price of the Common Stock on February 28, 2007 was \$22.63 per share.

The Corporation invests primarily for the longer term, and over the years the Corporation's objective has been to produce future growth of both capital and income while providing reasonable current income. Common stocks have made up the bulk of investments. However, assets may be held in cash or invested in all types of securities. See Investment Objective and Other Policies and Related Risks. No assurance can be given that the Corporation's investment objective will be realized. The Corporation's manager is J. & W. Seligman & Co. Incorporated.

This Prospectus applies to all shares of Common Stock purchased under the Corporation's various Investment Plans. See Investment Plans and Other Services. The shares of Common Stock covered by this Prospectus also may be issued from time to time by the Corporation to acquire the assets of personal holding companies, private investment companies or publicly owned investment companies. See Issuance of Shares in Connection with Acquisitions.

This Prospectus sets forth concisely the information that a prospective investor should know about the Corporation before investing. Investors are advised to read this Prospectus carefully and to retain it for future reference. Additional information about the Corporation, including a Statement of Additional Information (SAI) dated May 1, 2007, has been filed with the Securities and Exchange Commission. The SAI, as well as the Corporation's most recent Annual and Mid-Year Reports are also available upon request and without charge by writing or calling the Corporation at the address or telephone numbers listed above. Investors may also write or call the Corporation in order to request other available information or to make stockholder inquiries. The SAI is dated the same date as this Prospectus and is incorporated herein by reference in its entirety. The table of contents of the SAI appears on page 27 of this Prospectus. The 2006 Annual Report contains financial statements of the Corporation for the year ended December 31, 2006, which are incorporated by reference into the SAI. The SAI, as well as the Corporation's most recent Annual and Mid-Year Reports are also available at [www.tricontinental.com](http://www.tricontinental.com). The website references in this Prospectus are inactive textual references and information contained in or otherwise accessible through these websites does not form a part of this Prospectus. The Securities and Exchange Commission maintains a web site ([www.sec.gov](http://www.sec.gov)) that contains the Prospectus, SAI, material incorporated by reference, and other information filed electronically by the Corporation.

**The Securities and Exchange Commission has neither approved nor disapproved these securities, and it has not determined this Prospectus to be accurate or adequate. Any representation to the contrary is a criminal offense.**

Common Stock

(\$0.50 par value)

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**SUMMARY OF CORPORATION EXPENSES**

The following table illustrates the expenses and fees that the Corporation expects to incur and that you can expect to bear as a stockholder of the Corporation.

<b>Stockholder Transaction Expenses</b>	
Automatic Dividend Investment and Cash Purchase Plan Fees	(1)
<b>Annual Expenses for 2006 (as a percentage of net assets attributable to Common Stock)</b>	
Management Fees	0.41%
Other Expenses <sup>(2)</sup>	0.39%
 Total Annual Expenses	 0.80%

(1) Stockholders participating in the Corporation's investment plans pay a maximum \$2.00 fee per transaction. See "Investment Plans and Other Services - Automatic Dividend Investment and Cash Purchase Plan" for a description of the investment plans and services.

(2) Based on actual expenses incurred in 2006.

The following example illustrates the costs you would pay on a \$1,000 investment, assuming a 5% annual return:

	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Tri-Continental Corporation Common Stock	\$ 8	\$ 26	\$ 44	\$ 99

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The purpose of the table above is to assist you in understanding the various costs and expenses you will bear directly or indirectly. For more complete descriptions of the various costs and expenses, see Management of the Corporation and Investment Plans and Other Services Automatic Dividend Investment and Cash Purchase Plan.

The example does not represent actual costs, which may be more or less than those shown. Moreover, the Corporation's actual rate of return may be more or less than the hypothetical 5% return shown in the example.

## PROSPECTUS SUMMARY

*The following is qualified in its entirety by the more detailed information included elsewhere in this Prospectus.*

This Prospectus applies to shares of Common Stock of the Corporation. The Corporation invests primarily for the longer term and has no Charter restrictions with respect to such investments. Over the years the Corporation's objective has been to produce future growth of both capital and income while providing reasonable current income. There can be no assurance that this objective will be achieved. While common stocks have made up the bulk of investments, assets may be held in cash or invested in all types of securities in whatever amounts or proportions J. & W. Seligman & Co. Incorporated (the Manager) believes best suited to current and anticipated economic and market conditions. These may include preferred stock, debt securities, repurchase agreements, options, illiquid securities and securities of foreign issuers, each of which could involve certain risks. See Investment Objective and Other Policies and Related Risks.

The Manager manages the investment of the assets of the Corporation and administers its business and other affairs pursuant to a Management Agreement that was initially approved by the Board of Directors and the stockholders of the Corporation, and annually thereafter by the Board of Directors. The Manager also serves as manager of twenty-two other U.S. registered investment companies which, together with the Corporation, make up the Seligman Group of Funds. The aggregate assets of the Seligman Group of Funds as of March 31, 2007 were approximately \$11.5 billion. The Manager also provides investment management or advice to institutional and other accounts having a value as of March 31, 2007 of approximately \$7.7 billion. The Manager's fee is based in part on the average daily net assets of the Corporation. The management fee rate for the year ended December 31, 2006 was equivalent to 0.41% of the Corporation's average daily net investment assets. See Management of the Corporation.

Shares of Common Stock covered by this Prospectus may be purchased from time to time by Seligman Data Corp. (SDC), the Plan service agent for Automatic Dividend Investment and Cash Purchase Plans, Individual Retirement Accounts (IRAs), Retirement Plans for Self-Employed Individuals, Partnerships and Corporations, the J. & W. Seligman & Co. Incorporated Matched Accumulation Plan and the Seligman Data Corp. Employees Thrift Plan (collectively, the Plans), as directed by participants, and may be sold from time to time by the Plan service agent for participants in Systematic Withdrawal Plans. See Investment Plans and Other Services. Shares will be purchased for the Plans on the New York Stock Exchange or elsewhere when the market price of the Common Stock is equal to or less than its net asset value, and any brokerage commissions applicable to such purchases will be charged pro rata to the Plan participants. Shares will be purchased for the Plans from the Corporation at net asset value when the net asset value is lower than the market price, all as more fully described in this Prospectus.

A discussion regarding the basis for the Corporation's Board of Director's approval of the continuation of the management agreement between the Corporation and the Manager is available in the Corporation's Annual Report for 2006.

On November 16, 2006, the Board of Directors authorized the renewal of the Corporation's ongoing Stock Repurchase Program, which began in November 1998. The program authorizes the Corporation to repurchase up to 5.0% of the Corporation's outstanding Common Stock during the period January 1, 2007 through December 31, 2007, provided that the excess of net asset value of a share of Common Stock over its market price (the discount)

is greater than 10%. Pending the outcome of the vote on Proposal 3 set forth in the proxy statement for the 2007 annual meeting of stockholders of the Corporation, the Corporation has suspended its Stock Repurchase Program (for additional information, see DIVIDEND POLICY AND TAXES - Proposed Distribution Policy, below). The shares repurchased under this program are cancelled increasing the number of authorized but unissued shares available for issuance to participants in the Automatic Dividend Investment and Cash Purchase Plan. The Stock Repurchase Program seeks, among other things, to moderate the growth in the number of shares outstanding, increase the net asset value of the Corporation's outstanding shares, reduce the dilutive impact on stockholders who do not take capital gains distributions in additional shares and increase the liquidity of the Corporation's Common Stock in the marketplace. Shares acquired by the Corporation from participants in the Systematic Withdrawal Plan and other stockholder plans, as well as shares purchased for the Corporation in the open market to meet demand under the Automatic Dividend Investment and Cash Purchase Plan, are counted towards the repurchase limit under the program. For the year ended December 31, 2006, the Corporation repurchased 4,984,873 shares, representing 4.6% of outstanding shares at the beginning of the year. This compares to 5,653,088 shares repurchased during the year ended December 31, 2005, representing 5.0% of the shares outstanding. Since January 1, 1999, the first full year of the share repurchases in the open market, the Corporation has repurchased 51.8 million shares, which has increased the Corporation's total return by approximately 7%.

### THE CORPORATION

The Corporation is a Maryland corporation formed in 1929 by the consolidation of two predecessor corporations. It is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified management investment company of the closed-end type. The Corporation's Common Stock is listed on the New York Stock Exchange under the symbol TY. The average weekly trading volume on that and other exchanges during 2006 was 442,279 shares. The Corporation's Common Stock has historically been traded on the market at less than net asset value. As of February 28, 2007, the Corporation had 102,787,157 shares of Common Stock outstanding and net assets attributable to Common Stock of \$2,647,666,709.



## FINANCIAL HIGHLIGHTS

The Corporation's financial highlights for the years presented below have been audited by Deloitte & Touche LLP, Independent Registered Public Accounting Firm. This information, which is derived from the financial and accounting records of the Corporation, should be read in conjunction with the financial statements and notes contained in the Corporation's 2006 Annual Report, which may be obtained from the Corporation as provided on the cover page of this Prospectus.

Per share operating performance data is designed to allow you to trace the operating performance, on a per Common share basis, from the beginning net asset value to the ending net asset value so that you can understand what effect the individual items have on your investment, assuming it was held throughout the year. Generally, the per share amounts are derived by converting the actual dollar amounts incurred for each item, as disclosed in the financial statements, to their equivalent per Common share amount, using average shares outstanding.

### Per Share Operating Performance, Total

(for a share of Common Stock)

	2006	2005	2004
<b>Per Share Operating Performance:</b>			
Net asset value, beginning of year	\$ 22.16	\$ 21.87	\$ 19.55
Net investment income	0.33	0.26	0.26
Net realized and unrealized investment gain (loss)	3.47	0.29	2.31
Net realized and unrealized gain (loss) from foreign currency transactions			
Increase (decrease) from investment operations	3.80	0.55	2.57
Dividends paid on Preferred Stock	(0.02)	(0.02)	(0.02)
Dividends paid on Common Stock	(0.28)	(0.24)	(0.23)
Distribution from net gain realized			
Issuance of Common Stock in gain distributions			
Net increase (decrease) in net asset value	3.50	0.29	2.32
Net asset value, end of year	\$ 25.66	\$ 22.16	\$ 21.87
Adjusted net asset value, end of year*	\$ 25.60	\$ 22.10	\$ 21.82
Market value, end of year	\$ 22.38	\$ 18.58	\$ 18.28
<b>Total investment return:</b>			
Based upon market value	22.10%	2.98%	12.95%
Based upon net asset value	17.38%	2.66%	13.36%#
<b>Ratios and Supplemental Data:</b>			
Expenses to average net investment assets	0.79%	0.64%	0.65%
Expenses to average net assets for Common Stock	0.80%	0.65%	0.66%
Net investment income to average net investment assets	1.37%	1.18%	1.26%
Net investment income to average net assets for Common Stock	1.40%	1.20%	1.28%
Portfolio turnover rate	121.81%	70.77%	47.36%
Net investment assets, end of year (000s omitted):			
For Common Stock	\$ 2,657,209	\$ 2,392,304	\$ 2,470,781
For Preferred Stock	37,637	37,637	37,637
Total net investment assets	\$ 2,694,846	\$ 2,429,941	\$ 2,508,418

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\* Assumes the exercise of outstanding warrants. Warrant exercise terms were: December 21, 1996 to July 1, 1997 14.69 shares at \$1.53 per share; July 2, 1997 to December 19, 1997 14.99 shares at \$1.50 per share; December 20, 1997 to June 23, 1998 16.06 shares at \$1.40 per share; June 24, 1998 to December 18, 1998 16.78 shares at \$1.34 per share; December 19, 1998 to June 24, 1999 17.85 shares at \$1.26 per share; June 25, 1999 to December 16, 1999 18.14 shares at \$1.24 per share;

The total investment return based on market value measures the Corporation's performance assuming you purchased shares of the Corporation at the market value as of the beginning of the year, invested dividends and capital gains paid as provided for in the Corporation's Automatic Dividend Investment and Cash Purchase Plan, and then sold your shares at the closing market value per share on the last day of the year. The computation does not reflect any sales commissions you may incur in purchasing or selling shares of the Corporation. The total investment return based on net asset value is similarly computed except that the Corporation's net asset value is substituted for the corresponding market value.

The ratios of expenses and net investment income to average net investment assets and to average net assets for Common Stock for the periods presented do not reflect the effect of dividends paid to Preferred Stockholders.

### Investment Return, Ratios and Supplemental Data

outstanding throughout each year)

Year Ended December 31,

	2003	2002	2001	2000	1999	1998	1997
\$	15.72	\$ 21.69	\$ 25.87	\$ 32.82	\$ 34.13	\$ 32.06	\$ 29.28
	0.18	0.25	0.32	0.35	0.48	0.54	0.60
	3.84	(5.95)	(3.02)	(3.25)	2.90	7.01	6.94
						(0.01)	(0.17)
	4.02	(5.70)	(2.70)	(2.90)	3.38	7.54	7.37
	(0.02)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
	(0.17)	(0.26)	(0.28)	(0.33)	(0.48)	(0.52)	(0.60)
			(1.11)	(3.30)	(3.79)	(4.28)	(3.45)
			(0.08)	(0.40)	(0.40)	(0.65)	(0.52)
	3.83	(5.97)	(4.18)	(6.95)	(1.31)	2.07	2.78
\$	19.55	\$ 15.72	\$ 21.69	\$ 25.87	\$ 32.82	\$ 34.13	\$ 32.06
\$	19.51	\$ 15.69	\$ 21.65	\$ 25.82	\$ 32.75	\$ 34.06	\$ 31.99
\$	16.40	\$ 13.25	\$ 18.75	\$ 21.1875	\$ 27.875	\$ 28.50	\$ 26.6875
	25.24%	(28.18)%	(5.22)%	(11.56)%	12.57%	26.19%	27.96%
	25.84%	(26.35)%	(10.20)%	(8.29)%	10.67%	25.80%	26.65%
	0.68%	0.67%	0.59%	0.54%	0.56%	0.58%	0.60%
	0.70%	0.68%	0.60%	0.54%	0.56%	0.58%	0.60%