

TRI-CONTINENTAL CORP
Form POS 8C
April 25, 2019
Table of Contents

As filed with the Securities and Exchange Commission on April 25, 2019.

Registration Nos. 333-104669

811-00266

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Form N-2

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933
Pre-Effective Amendment No.
Post-Effective Amendment No. 27
and/or

REGISTRATION STATEMENT

UNDER

THE INVESTMENT COMPANY ACT OF 1940
Amendment No. 61

(Check Appropriate Box or Boxes)

TRI-CONTINENTAL CORPORATION

(Exact Name of Registrant as Specified in Charter)

225 Franklin Street, Boston, Massachusetts 02110

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (800) 345-6611

Christopher O. Petersen, Esq.

Ryan C. Larrenaga, Esq.

c/o Columbia Management Investment Advisers, LLC

**c/o Columbia Management Investment Advisers,
LLC**

225 Franklin Street

225 Franklin Street

Boston, Massachusetts 02110

Boston, Massachusetts 02110

(Name and Address of Agents for Service)

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement.

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: _____

Table of Contents

Prospectus
May 1, 2019

Tri-Continental Corporation

NYSE: TY

Tri-Continental Corporation (the Fund) seeks future growth of both capital and income while providing reasonable current income.

This prospectus sets forth the information that a prospective investor should know about the Fund before investing. Investors are advised to read this prospectus carefully and to retain it for future reference. Additional information about the Fund, including a Statement of Additional Information (SAI) dated May 1, 2019, has been filed with the Securities and Exchange Commission. The SAI and the Fund's most recent annual and semiannual reports to stockholders are available upon request and without charge by writing to Columbia Management Investment Services Corp. (the Service Agent), the Fund's stockholder servicing, dividend paying and transfer agent, at P.O. Box 219371, Kansas City, MO 64121-9371 or calling the Service Agent at 800.345.6611, option 3. Investors may also write or call the Service Agent in order to request other available information or to make stockholder inquiries. The SAI is incorporated herein by reference in its entirety and its table of contents appears on page 34 of this prospectus. The 2018 annual report contains financial statements of the Fund for the year ended December 31, 2018, which are incorporated by reference into the SAI. The SAI and the Fund's most recent annual and semiannual reports are also available at www.columbiathreadneedleus.com. The website references in this prospectus are inactive textual references and information contained in or otherwise accessible through the referenced website does not form a part of this prospectus. The Securities and Exchange Commission maintains a website (www.sec.gov) that contains the prospectus, SAI, material incorporated by reference, and other information filed electronically by the Fund. The Fund is a diversified, closed-end management investment company — a publicly traded management investment company. The Fund's shares of common stock (the Common Stock) trade primarily on the New York Stock Exchange (the Exchange) under the symbol "TY." The closing market price of the Common Stock on February 28, 2019 was \$26.51 per share.

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's annual and semiannual reports to stockholders will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's website (columbiathreadneedleus.com/investor/), and each time a report is posted you will be notified by mail and provided with a website address to access the report.

If you have already elected to receive stockholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive stockholder reports and other communications from the Fund electronically at any time by contacting your financial intermediary (such as a broker-dealer or bank) or, for Fund shares held directly with the Fund, by calling 800.345.6611, option 3, or by enrolling in "eDelivery" by logging into your account at columbiathreadneedleus.com/investor/.

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue receiving paper copies of your stockholder reports. If you invest directly with the Fund, you can call 800.345.6611, option 3, to let the Fund know you wish to continue receiving paper copies of your stockholder reports. Your election to receive paper reports will apply to the Fund and all other Columbia Funds held in your account if you invest through a financial intermediary or to the Fund and all other Columbia Funds held with the fund complex if you invest directly with the Fund.

Common Stock (\$0.50 par value)

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.

Table of Contents	
<u>Summary of the Fund</u>	3
<u>Fees and Expenses of the Fund</u>	3
<u>Prospectus Summary</u>	3
<u>Financial Highlights</u>	5
<u>Senior Securities — \$2.50 Cumulative Preferred Stock</u>	8
<u>Outstanding Fund Securities at February 28, 2019</u>	8
<u>Share Price Data</u>	9
<u>More Information About the Fund</u>	10
<u>The Fund</u>	10
<u>Investment Objective and Policies</u>	10
<u>Principal Risks</u>	11
<u>Management of the Fund</u>	17
<u>Legal Proceedings</u>	19
<u>Capital Stock, Long-Term Debt, and Other Securities</u>	20
<u>Description of Capital Stock</u>	20
<u>Description of Warrants</u>	21
<u>Distributions and Taxes</u>	21
<u>Computation of Net Asset Value</u>	25
<u>Buying and Selling Shares</u>	27
<u>Transaction Rules and Policies</u>	27
<u>Direct-at-Fund Accounts</u>	28
<u>Buying Shares</u>	29

<u>Selling Shares</u>	31
<u>Additional Information</u>	33
<u>Issuance of Shares in Connection with Acquisitions</u>	33
<u>Table of Contents of the Statement of Additional Information</u>	34

Table of Contents

Tri-Continental Corporation

Summary of the Fund

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund's Common Stock.

Stockholder Transaction Expenses

Cash Purchase Plan Fees \$2.00 ^(a)

Annual Expenses (as a percentage of net assets attributable to common shares)

Management fees ^(b)	0.42%
Other expenses	0.07%
Acquired fund fees and expenses	0.06%
Total Annual Expenses Before Impact of Dividends on Preferred Stock ^(c)	0.55%
Impact of Dividends on Preferred Stock	0.12%
Total Annual Expenses, including Impact of Dividends on Preferred Stock	0.67%

(a) Stockholders participating in the Fund's Cash Purchase Plan (the Cash Purchase Plan) pay a \$2.00 fee per cash purchase transaction; there is no fee for automatic dividend re-investment transactions in the Fund's Automatic Dividend Investment Plan (the Automatic Dividend Investment Plan). See Buying and Selling Shares – Buying Shares – Investment Plans for a description of the related services.

(b) The Fund's management fee is 0.415% of the Fund's average daily net assets (which includes assets attributable to the Fund's common and preferred stock) and is borne by the holders of the Fund's common stock (Common Stockholders). The management rate noted in the table reflects the rate paid by Common Stockholders as a percentage of the Fund's net assets attributable to Common Stock.

(c) "Total Annual Expenses Before Impact of Dividends on Preferred Stock" include acquired fund fees and expenses (expenses the Fund incurs indirectly through its investments in other investment companies) and may be higher than "Expenses to average net assets for Common Stock" shown in the Financial Highlights section of this prospectus because "Expenses to average net assets for Common Stock" does not include acquired fund fees and expenses.

Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The example illustrates the hypothetical expenses that you would incur over the time periods indicated, and assumes that:

you invest \$1,000 in the Fund for the periods indicated,

your investment has a 5% return each year, and

the Fund's total annual operating expenses remain the same as shown in the Annual Fund Operating Expenses table above (including the impact of dividends on preferred stock).

Although your actual costs may be higher or lower, based on the assumptions listed above, your costs would be:

	1 year	3 years	5 years	10 years
Tri-Continental Corporation Common Stock	\$7	\$21	\$37	\$83

If dividends on the Fund's \$2.50 cumulative preferred stock (Preferred Stock) were not included, the total expenses incurred for 1, 3, 5 and 10 years would be \$6, \$18, \$31 and \$69, respectively.

The purpose of the tables 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 More Information About the Fund

– Management of the Fund and Buying and Selling Shares – Buying Shares.

Prospectus Summary

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

The Fund 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 Fund’s Common Stock is listed on the Exchange under the symbol
Prospectus 2019 3

Table of Contents

Tri-Continental Corporation

Summary of the Fund (continued)

“TY.” The average weekly trading volume on that and other exchanges during 2018 was 324,959 shares. The Fund’s Common Stock has historically been traded on the market at less than net asset value. As of February 28, 2019, the Fund had 53,412,203 shares of Common Stock outstanding and net assets attributable to Common Stock of \$1,580,536,984.

This prospectus applies to all shares of Common Stock purchased under the Fund’s Cash Purchase Plan and to all shares of Common Stock issued upon exercise of the Fund’s issued and outstanding warrants (the Warrants). See Buying and Selling Shares. The shares of Common Stock covered by this prospectus also may be issued from time to time by the Fund to acquire the assets of personal holding companies, private investment companies or publicly owned investment companies. See Additional Information – Issuance of Shares in Connection with Acquisitions. The Fund’s objective is 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. The Fund invests primarily for the longer term and has no charter restrictions with respect to such investments.

With respect to the Fund’s investments, assets may be held in cash or invested in all types of securities in whatever amounts or proportions the Investment Manager (defined below) believes is best suited to current and anticipated economic and market conditions. These may include preferred and common stocks, debt securities, repurchase agreements, derivatives (including futures contracts), illiquid securities and securities of foreign issuers (including emerging markets issuers), each of which could involve certain risks. The Fund also employs leverage through its outstanding shares of Preferred Stock. See More Information About the Fund – Investment Objective and Policies below.

Columbia Management Investment Advisers, LLC (Columbia Management or the Investment Manager), a wholly owned subsidiary of Ameriprise Financial, Inc. (Ameriprise Financial), is the investment manager of the Fund. Columbia Management also serves as administrative services agent to the Fund and provides or compensates others to provide accounting, treasury and other services to the Fund and to other funds in the Columbia Fund Family, which includes the Fund.

The management fee rate for the year ended December 31, 2018 was equivalent to 0.42% of the Fund’s average daily net assets attributable to Common Stock. See More Information About the Fund – Management of the Fund for more information.

Shares of Common Stock covered by this prospectus may be purchased and sold from time to time by the Service Agent, as directed by the stockholders of accounts held directly with the Fund and not through a financial intermediary (Direct-at-Fund Accounts). See Buying and Selling Shares. Shares will be purchased on the 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 Direct-at-Fund Account stockholders directing such purchases. Shares will be purchased from the Fund at net asset value when the net asset value is lower than the market price, all as more fully described in this prospectus.

The Fund’s Board of Directors (the Board) re-approved the Fund’s stock repurchase program for 2019. Identical to the Fund’s 2018 stock repurchase program, under the Fund’s 2019 stock repurchase program, the Fund repurchases up to 5% of the Fund’s outstanding Common Stock during the year directly from stockholders and in the open market, provided that, with respect to shares purchased in the open market, the excess of the net asset value of a share of Common Stock over its market price (the discount) is greater than 10%. During 2018, the Fund purchased 2,101,263 shares of Common Stock in the open market. The intent of the stock repurchase program is, among other things, to moderate the growth in the number of shares of Common Stock outstanding, increase the net asset value (NAV) of the Fund’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 Fund’s Common Stock in the marketplace.

4Prospectus 2019

Table of Contents

Tri-Continental Corporation

Financial Highlights

The Fund's Financial Highlights for the seven most recent fiscal years have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, whose report, along with the Fund's financial statements, is included in the Fund's annual report, which is available upon request. The information for the prior fiscal years has been derived from the financial statements audited by the Fund's former independent registered public accounting firm. The Financial Highlights should be read in conjunction with the financial statements and notes contained in the Fund's 2018 annual report, which may be obtained from the Service Agent as provided in this Prospectus.

Per share operating performance data is designed to allow you to trace the operating performance, on a per Common Stock 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 period. 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 Stock share amounts, using average Common Stock shares outstanding during the period.

Total return measures the Fund's performance assuming that you purchased shares of the Fund at the market price or net asset value as of the beginning of the period, invested all Fund distributions, and then sold your shares at the closing market price or net asset value per share on the last day of the period. The computations do not reflect any sales commissions or transaction costs you may incur in purchasing or selling shares of the Fund or taxes investors may incur on distributions or on the sale of shares of the Fund.

The portfolio turnover rate is calculated without regard to purchase and sales transactions of short-term instruments and certain derivatives, if any. If such transactions were included, the Fund's portfolio turnover may be higher.

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

Prospectus 2019 5

Table of Contents

Tri-Continental Corporation

Financial Highlights (continued)

Year ended December 31,	2018	2017	2016
Per share data			
Net asset value, beginning of period	\$29.88	\$25.91	\$23.49
Income from investment operations:			
Net investment income	0.99	0.93	0.90
Net realized and unrealized gain (loss)	(2.35)	4.24	2.33
Increase from payments by affiliate	—	—	—
Total from investment operations	(1.36)	5.17	3.23
Less distributions to Stockholders from:			
Net investment income — Preferred Stock	(0.03)	(0.03)	(0.03)
Net investment income — Common Stock	(0.96)	(1.07)	(0.91)
Net realized gains — Common Stock	(0.95)	(0.10)	—
Tax return of capital — Common Stock	—	—	—
Total distributions to Stockholders	(1.94)	(1.20)	(0.94)
Dilution in net asset value from dividend reinvestment	—	—	(0.06)
Increase resulting from share repurchases	—	—	0.19
Capital stock transactions at market price	—	—	—
Net asset value, end of period	\$26.58	\$29.88	\$25.91
Adjusted net asset value, end of period ^(a)	\$26.48	\$29.77	\$25.83
Market price, end of period	\$23.52	\$26.94	\$22.05
Total return			
Based upon net asset value	(4.10)%	20.82%	15.25%
Based upon market price	(5.88)%	28.00%	15.08%
Ratios to average net assets			
Expenses to average net assets for Common Stock ^(c)	0.49%	0.49%	0.50%
Net investment income to average net assets for Common Stock	3.14%	3.21%	3.59%
Supplemental data			
Net assets, end of period (000's):			
Common Stock	\$1,431,211	\$1,637,553	\$1,470,843
Preferred Stock	\$37,637	\$37,637	\$37,637
Total net assets	\$1,468,848	\$1,675,190	\$1,508,480
Portfolio turnover	63%	95%	82%

Notes to Financial Highlights

(a) Assumes the exercise of outstanding warrants.

(b) During the year ended December 31, 2009, the Fund received a payment by an affiliate. Had the Fund not received this payment, the total return would have been lower by 0.47%.

(c) In addition to the fees and expenses that the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of any other funds in which it invests. Such indirect expenses are not included in the Fund's reported expense ratio.

6Prospectus 2019

Table of Contents

Tri-Continental Corporation

Financial Highlights (continued)

2015	2014	2013	2012	2011	2010	2009
\$24.76	\$23.11	\$18.77	\$16.77	\$15.96	\$13.73	\$11.29
0.81	0.73	0.69	0.63	0.33	0.30	0.20
(1.37)	1.70	4.36	2.00	0.79	2.28	2.42
—	—	—	—	—	—	0.04
(0.56)	2.43	5.05	2.63	1.12	2.58	2.66
(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
(0.81)	(0.75)	(0.68)	(0.60)	(0.28)	(0.25)	(0.17)
—	—	—	—	—	—	—
—	—	—	—	—	—	(0.02)
(0.84)	(0.78)	(0.71)	(0.63)	(0.31)	(0.28)	(0.22)
(0.05)	—	—	—	—	—	—
0.18	—	—	—	—	—	—
—	—	—	—	—	(0.07)	—
\$23.49	\$24.76	\$23.11	\$18.77	\$16.77	\$15.96	\$13.73
\$23.42	\$24.68	\$23.04	\$18.71	\$16.72	\$15.90	\$13.69
\$20.02	\$21.41	\$19.98	\$16.00	\$14.23	\$13.76	\$11.52
(1.36%)	11.09%	27.76%	16.24%	7.15%	18.58%	24.11% ^(b)
(2.78%)	11.11%	29.58%	16.77%	5.46%	21.85%	19.24%
0.50%	0.49%	0.50%	0.52%	0.59%	0.60%	0.98%
3.16%	2.91%	3.12%	3.28%	1.80%	1.84%	1.46%
\$1,382,712	\$1,511,285	\$1,435,734	\$1,183,285	\$1,078,160	\$1,061,251	\$946,344
\$37,637	\$37,637	\$37,637	\$37,637	\$37,637	\$37,637	\$37,637
\$1,420,349	\$1,548,922	\$1,473,371	\$1,220,922	\$1,115,797	\$1,098,888	\$983,981
76%	76%	62%	68%	97%	86%	70%

Prospectus 2019 7

Table of Contents

Tri-Continental Corporation

Financial Highlights (continued)

Senior Securities — \$2.50 Cumulative Preferred Stock

The following information is being presented with respect to the Fund's Preferred Stock. The "Total Shares Outstanding" column presents the number of shares of Preferred Stock outstanding at the end of each year presented. "Year-End Asset Coverage Per Share" represents the total amount of net assets of the Fund in relation to each share of Preferred Stock outstanding as of the end of the respective year. The "Involuntary Liquidation Preference Per Share" is the amount each share of Preferred Stock would be entitled to upon involuntary liquidation of these shares. The "Average Daily Market Value Per Share" is the average daily market price per share of Preferred Stock throughout each respective year.

Year	Total Shares Outstanding	Year-End Asset Coverage Per Share	Involuntary Liquidation Preference Per Share	Average Daily Market Value Per Share
2018	752,740	\$1,951	\$50	\$50.71
2017	752,740	2,225	50	50.75
2016	752,740	2,004	50	51.61
2015	752,740	1,887	50	49.92
2014	752,740	2,058	50	46.32
2013	752,740	1,957	50	48.50
2012	752,740	1,622	50	50.02
2011	752,740	1,482	50	46.33
2010	752,740	1,460	50	46.62
2009	752,740	1,307	50	42.31

Outstanding Fund Securities at February 28, 2019

Title of Class	Amount Authorized	Amount Held by Fund or for its Account	Amount Outstanding Exclusive of Amount Held by Fund
\$2.50 Cumulative Preferred Stock, \$50 par value	1,000,000 shares	0 shares	752,740 shares
Common Stock, \$0.50 par value	159,000,000 shares*	0 shares	53,412,203 shares
Warrants to purchase Common Stock	8,043 warrants	0 warrants	8,043 warrants

* 194,560 shares of Common Stock were reserved for issuance upon the exercise of the Warrants.

8Prospectus 2019

Table of Contents

Tri-Continental Corporation

Financial Highlights (continued)

Share Price Data

The Fund's Common Stock is traded primarily on the Exchange. The following table shows the high and low closing prices of the Fund's Common Stock on the composite tape for issues listed on the Exchange for each calendar quarter since the beginning of 2017, as well as the net asset values and the range of the percentage discounts to net asset value per share that correspond to such prices.

	Market Price		Corresponding NAV		Corresponding % Discount to NAV	
	High	Low	High	Low	High	Low
2017						
1 st Quarter	23.57	22.05	27.51	25.91	(14.32)	(14.90)
2 nd Quarter	24.38	23.02	27.71	26.92	(12.02)	(14.49)
3 rd Quarter	25.55	24.27	28.72	27.48	(11.04)	(11.68)
4 th Quarter	27.12	25.55	30.29	28.72	(10.47)	(11.04)
2018						
1 st Quarter	28.22	25.87	31.37	29.15	(10.04)	(11.25)
2 nd Quarter	27.61					