



B #:	2178-13
Date:	01/02/2014
To:	All Participants
Category:	Dividends
From:	Supervisor, Stock Dividend Department
Attention:	Dividend Managers, Cashiers, and Reorganization Managers
Subject:	Optional Dividend: Special Opportunities Fund Inc. CUSIP: 84741T104 R/D: 12/30/2013 P/D: 01/24/2014 Rate: \$2.21 per share DTC EDS Cut-Off: 01/13/2014 8:00 P.M., NYC time

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

The Board of Directors declared a combined \$2.21 per share distribution on the company's common stock payable on 01/24/2014 to holders of record at the close of business on 12/30/2013. Participants who have positions in the above captioned security can elect a dividend from net long-term capital gains of \$0.67 per share, \$0.44 per share from net short-term capital gains and \$1.10 per share from net investment income. The options are as follows:

**Option 1 Stock: You may elect to receive additional full shares of common stock of
DEFAULT Special Opportunities Fund, Inc. for the total distribution of \$2.21 per
Share. (Cash will be paid in lieu of fractional shares)**

**Option 2 Cash: You may elect to receive cash for both the income dividend and the capital
gains distribution of \$2.21 per share.**

The number of additional full shares to which a shareholder will be entitled if he/she elects to receive the distribution in stock is computed as follows:

A shareholder not electing cash will receive additional shares of common stock with a value equal to \$2.21 times the number of shares held on December 30, 2013. For the purpose of determining the number of shares to be issued, the value of each additional share will be 90% of the Fund's net asset value per share on January 17, 2014. Cash will be paid in lieu of fractions.

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

To confirm record date history and payment information, participants should access the Dividend and Allocation History (DPAL) Menu Option, via the PTS Dividend Announcements Inquiry function (DIVA).

Participants not responding to the above option by 01/13/2014 8:00 P.M., NYC time, will receive the mandatory distribution in the form of stock Option #1. (Default)

If there are any questions regarding this Important Notice, or the processing of related instructions via EDS, participants should contact DTC's Customer Help Line at (888) 382-2721.

If you have any additional questions, please contact Shareholder Relations Department at American Stock Transfer & Trust Company at (800) 937-5449.

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