

CORNERSTONE STRATEGIC VALUE FUND INC/ NEW  
Form DEFA14A  
May 20, 2004

CORNERSTONE STRATEGIC VALUE FUND, INC.

383 Madison Avenue, 23rd Floor  
New York, New York 10179  
(800) 870-0658

Dear Fellow CLM Stockholder:

PLEASE VOTE YOUR SHARES TODAY.  
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YOUR FUND'S MEETING IS ON JUNE 10, 2004.

YOUR VOTE IS IMPORTANT FOR THE FUTURE OF YOUR FUND..

The proxy materials that you recently received describe the details of a merger of two other closed-end funds into your fund, CLM. Your Board of Directors recommends that you approve these two merger proposals.

THESE MERGERS OFFER SIGNIFICANT BENEFITS TO CLM STOCKHOLDERS, INCLUDING:

- > SIGNIFICANTLY LARGER ASSET BASE
- > GREATER ECONOMIES OF SCALE FOR OPERATIONS AND EXPENSES
- > IMPROVED OPERATING EXPENSE RATIO
- > ENHANCED MARKET LIQUIDITY
- > POTENTIAL IMPROVED TAX BENEFITS
- > BROADER PORTFOLIO DIVERSIFICATION
- > LOWER EXPENSES FROM BETTER MANAGEMENT FEE WAIVER

AND REMEMBER:

- |X| CLM STOCKHOLDER VALUE IS NOT DILUTED
- |X| REGULAR DISTRIBUTIONS CONTINUE
- |X| INVESTMENT OBJECTIVES REMAIN UNCHANGED

VOTE FOR A LARGER, STRONGER, MORE EFFICIENT FUND.

PLEASE USE THE ENCLOSED BALLOT TO VOTE "FOR" ALL PROPOSALS,  
OR REGISTER YOUR VOTE ON-LINE AT [WWW.PROXYVOTE.COM](http://WWW.PROXYVOTE.COM),  
OR VOTE BY CALLING THE TOLL-FREE NUMBER ON YOUR BALLOT.

CLM has engaged InvestorCONNECT, a professional proxy solicitor, to assist shareholders throughout the voting process. If you should have any questions regarding this proxy material, contact InvestorCONNECT at (800) 870-0658.

YOUR BOARD OF DIRECTORS BELIEVES THAT THESE MERGERS ARE IN THE BEST INTERESTS OF CLM STOCKHOLDERS AND RECOMMENDS THAT YOU VOTE "FOR" ALL PROPOSALS.

Respectfully,  
Ralph W. Bradshaw, President

