

**Madison Strategic Sector Premium Fund
(NYSE:MSP)**

Cusip: 558268108

Dear Shareholder(s):

The monthly distribution in the amount of \$0.15 per share payable June 30, 2006 from the Madison Strategic Sector Premium Fund (the "Fund") to shareholders of record on June 16, 2006 is estimated to consist of \$0.15 per share of short-term capital gains on a tax basis. Since short-term capital gains are not considered book income, this distribution is estimated to consist of \$0.15 per share of return of capital on a book basis.

The Fund currently does not anticipate that any of the distributions paid during the 2006 calendar year will be classified as return of capital for tax purposes. The final determination of the source of the 2006 distributions will be made after the end of the Fund's fiscal year and will be reported to you in January 2007 on Form 1099-DIV.

The Fund adopted a managed distribution policy such that the monthly distributions to shareholders would consist of net investment income and net realized gains, if any. In order to include realized long-term capital gains as a component of these monthly distributions, exemptive relief is required from the Securities and Exchange Commission because the SEC only allows for effectively one long-term capital gain distribution per year. As such, the Fund can not include any realized long-term capital gains as a component of this distribution.

Madison Strategic Sector Premium Fund

June 2006