

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

-----X

STATE OF NEW YORK,

Plaintiff,

Index No.

- against -

J. & W. SELIGMAN & CO. INCORPORATED,  
SELIGMAN ADVISORS, INC.,  
SELIGMAN DATA CORPORATION and  
BRIAN T. ZINO,

Defendants.

-----X

**EXHIBITS TO COMPLAINT**

**EXHIBIT 1**

Confidential Memorandum

To: Steve Hodgdon  
From: [REDACTED]  
Re: NAV Arbitrageurs in Seligman Funds  
Date: November 6, 2002



Steve – I write this memo to bring to your attention an escalating problem that threatens the performance of our funds, and therefore our livelihood. It is the practice of NAV arbitrage by professional traders (usually hedge funds), which loots percentage points in total return from the funds these traders utilize. The controls we currently have in place are inadequate, and to make matters worse, are periodically overridden by sales management through the granting of exceptions to certain financial advisors who facilitate this business. I propose a solution herein, but first some background.

Mutual fund NAV arbitrage by professional traders has grown into its own industry in just the last two years. The practice threatens the future of fund companies that don't understand its effect on their long-term returns. In addition, it is a ticking time bomb for the entire mutual fund industry, set to go off the day the press realizes that fund companies routinely sell the returns earned by the shareholders of their funds to short-term traders.

Usually, these traders employ a global arbitrage strategy that exploits the stale prices of international securities used when a fund calculates its 4 pm NAV. There are also non-global strategies. Typically, the trader swoops into the fund for one or two days and takes profits that were meant for the long-term shareholders. The money never gets a chance to be invested in anything and the removal of these assets from the fund comes right off the fund's return. Five traders making 10 round trips per year of \$1 million, at a 4% profit each trip, knocks 1% off the total return of a \$200 million fund that year.

Acceptance of the above practice by mutual fund company leaders stems from ignorance of the practice's longer-term effects. Leaders of fund companies that are fully informed on this subject have put in place strict policies prohibiting this type of business, and grant no exceptions. Many fund companies have also instituted fair-value pricing of their international securities, the only real solution to the problem and one that is getting easier and cheaper to institute.

Seligman's handling of this issue has been inconsistent. The company has in place a labor-intensive effort at several levels to identify and eradicate NAV arbitrageurs from its funds. It works reasonably well and has without a doubt prevented the looting of several percentage points of return from some of our funds. This effort takes the coordination of at least a dozen individuals across several departments for at least some part of every day. Periodically, exceptions are granted by senior managers at Seligman to traders who approach them with what they see as compelling business propositions. The sums of

money these traders typically propose bringing to Seligman are enough to undo the benefits of the everyday effort and more. As implied earlier, these managers would not make such exceptions if they had all the facts and were backed up by a consistent policy.

The solution to this problem is two-fold. First, we need a documented policy for the prevention of this kind of abuse. It would include a clear description of what kind of business we are talking about, what actions we will take to prevent these traders from entering our funds, and what actions we will take to eradicate them from our funds if they get in. It would clearly state that no exceptions would be made. I will gladly craft this policy should you so desire.

Second, we need to institute fair-value pricing of the international securities in our funds. This practice would eliminate the arbitrage opportunity completely and is the only good long-term solution. Many fund companies have begun doing so and the services that do this are becoming better and cheaper. This will require a buy-in from Brian Zino and legal, and probably Board approval. It is a process accepted and encouraged by the SEC. I have already begun preparing talking points that can be used in educating the necessary individuals and/or the Board.

I ask that we take action on the first part of the solution this week – it's that urgent. The second part will take a lot of preparation, but I will gladly spearhead that initiative. It is also imperative. Our company can ill-afford to forgo potentially billions of dollars in sales over the next few years, and the management fees associated with those sales, because we sold our hard-earned alpha to professional traders to raise a small fraction of that amount today. Our reputation is also at stake if we do not document our fervent support of the long-term shareholder long before this issue makes headlines.

Please let me know how you would like to proceed.

Confidential Treatment  
Requested By  
J. & W. Seligman & Co. Incorporated  
Item No. 6B 289

EXHIBIT 2

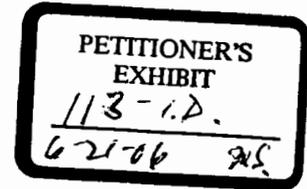
## Unknown

**From:** [REDACTED] [REDACTED]@SeligmanData.com]  
**Sent:** Wednesday, January 17, 2001 5:03 PM  
**To:** [REDACTED] Hodgdon, Stephen; [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Capital Stock Activity

Gentlemen, With regard to the e-mail from [REDACTED] concerning cash requirements for the International Fund, please note the following. I have attached for your review a listing of the market timing activity specifically detailing movement within the International Fund. There are several financial advisors that are timing money within our complex involving the International Fund however two in particular seem to represent the majority of the cash movement through timing activities. Please see the attached report which highlights those advisors in question. Currently our process for identifying and modifying the behavior of timers is that SDC notifies SAI monthly regarding all timing related activity SAI then communicates a verbal reminder to the financial advisor that our fund policy limits frequent exchange activity. If the advisor in question remains on the report the following month, SAI then sends a written warning to the advisor. If the advisor continues the activity, the account is then frozen by SDC only upon notification from the appropriate SAI district manager. We will review the disposition of the advisors in question with [REDACTED]. If you have any questions you may direct them to [REDACTED] who is responsible for coordinating timing related activity with SAI. [REDACTED]



December 31st  
Timers.doc (45 K...



—Original Message—

**From:** [REDACTED]  
**Sent:** Friday, January 12, 2001 5:27 PM  
**To:** Zino, Brian; Hodgdon, Stephen; [REDACTED]  
**Subject:** FW: Capital Stock Activity

we would appreciate your thoughts on this situation. as you can see, this is not fair to [REDACTED]

—Original Message—

**From:** [REDACTED]  
**Sent:** Friday, January 12, 2001 3:39 PM  
**To:** [REDACTED]  
**Subject:** Capital Stock Activity

The international fund currently has cash of \$11,440,409 (17.1% of assets) due to an inflow of \$ 9,137,307 on 1/11/01, which I was notified of this afternoon. EAFE has risen 87bp over this period, costing us 15 bp of performance. (Calculated as EAFE return \* uninvested cash.) This is the equivalent of having one of my portfolio's stocks underperform by 12% over this period.

After a long string of problems with money coming into and out of the fund, I had [REDACTED] run a report of all the capital stock activity from 11/01/00, the date of our new fiscal year. In less than three months, the fund as had inflows of \$91,991,193 (138% of assets) and outflows of \$80,991,653. By my reckoning, we've had 14 round trips of massive flows in and out meaning 28 trading days I have either been scrambling to get invested or raising liquidity. There were only 49 trading sessions over this period, so this is how I've spent about 60% of my time.

Given that we can not employ futures and our systems for notifying me of activity do not allow me to get invested on a timely basis, the execution costs are huge to our existing shareholders. Most studies of trading strategies suggest that trading activity costs about 100 basis points after commissions, bid-ask spread, fx cost, and market impact. Thus, I think so far, this activity has cost the fund about 140 bp.

While falling markets ought to have benefited the fund when flush with cash, my mandate to keep no more than 5% cash has led me to be temporarily levered due to redemptions in falling markets. Moreover, while I haven't proven it out (yet), the flippers seem to flock in on market up days and bolt on market down days.

I would appreciate any advice on how to manage this situation.

[REDACTED]

"

## FREQUENT TRADING ACTIVITY REPORT AS OF 12/31/00

This report lists reps who have exceeded the limit of six exchanges from the same fund in a calendar quarter. The criteria for being listed is that the exchanged amount must equal more than \$250,000.

Under each wholesaler the report is broken down by the four market timer categories; Category I – New Additions to the Report, Category II – Verbal Warning Issued, Category III – Written Warning Issued, and Category IV – Accounts Frozen, Liquidated, or Transferred. There will be instances where a wholesaler has no reps in one or some of the four categories. That category will not be represented in the report under that wholesaler.

### Example

John Smith, First Important Securities, New York, NY. Y-T-D sales: \$100,000, redemptions: \$25,000, total assets under management: \$7,654,123. Exchanges processed via NSCC/Fundserv. Date added to report: 1/1/99.

<u>Fund</u>	<u>Current Dollars by Fund*</u>	<u>Activity from 11/16 to 12/31**</u>	<u>Last Activity Date***</u>	<u>YTD 2000 Activity</u>
C&I	\$ 5.6 million over 2 accts	2 roundtrips, 1 one-way	11/15/00	2 roundtrips, 1 one-way
Frontier	\$ 0 over 2 accts	N/A	12/7/99	N/A
Cash	\$ 2.0 million			

\*Current dollars by fund represents the position on the date of the report, of the money that is being timed. Also noted is the number of accounts that the current dollars are in (except in Cash).

\*\*One roundtrip is considered an exchange in and an exchange out of the fund. A one-way exchange is just an exchange into the fund.

\*\*\*The last activity date is the last day that an exchange in or out of the fund occurred.

SDC

Seligman Data Corp.

**FREQUENT TRADING ACTIVITY REPORT**  
**AS OF 12/31/00**

*Category I - Recent Additions to the Report*

[REDACTED]

[REDACTED] Prudential Securities, Chicago, IL. Y-T-D sales: \$4,100,000 redemptions: \$0. total assets under management: \$6,024,733  
 Exchanges processed via NSCC/Fundserv. Date added to report: 4/15/00.

<u>Fund</u>	<u>Current Dollars by Fund</u>	<u>Activity from 11:16 to 12:31</u>	<u>Last Activity Date</u>	<u>YTD 2000 Activity</u>
Global Smaller	\$ 0 over 2 accts	3 roundtrips	12:29:00	34 roundtrips
Global Growth	\$ 0 over 2 accts	3 roundtrips	12:29:00	37 roundtrips
International	\$ 0 over 1 acct	3 roundtrips	12:29:00	37 roundtrips
Cash	\$ 6.2 million			

[REDACTED] Nikoh Securities Corp., Northbrook, IL. Y-T-D sales: \$375,000, redemptions: \$0. total assets under management: \$1,523,866.  
 Exchanges processed via NSCC/Fundserv. Date added to report: 5/15/00.

<u>Fund</u>	<u>Current Dollars by Fund</u>	<u>Activity from 11:16 to 12:31</u>	<u>Last Activity Date</u>	<u>YTD 2000 Activity</u>
International	\$ 0 over 1 acct	2 roundtrips	12:6:00	26 roundtrips
Cash	\$ 490,000			

██████████ Prudential Securities, Orland Park, IL. Y-T-D sales: \$513,338, redemptions: \$47,546, total assets under management: \$1,103,907. Exchanges processed via NSCC/Fundserv. Date added to report: 8/15/00.

<u>Fund</u>	<u>Current Dollars by Fund</u>	<u>Activity from 11/16 to 12/31</u>	<u>Last Activity Date</u>	<u>YTD 2000 Activity</u>
International	\$ 0 over 1 acct	2 roundtrips	12/12/00	16 roundtrips
US Govt.	\$ 290,600			

██████████ Banc One Securities Corp., Chicago, IL. Y-T-D sales: \$0, redemptions: \$2,103, total assets under management: \$1,028,752. Exchanges processed via NSCC/Fundserv. Date added to report: 3/15/00.

<u>Fund</u>	<u>Current Dollars by Fund</u>	<u>Activity from 11/16 to 12/31</u>	<u>Last Activity Date</u>	<u>YTD 2000 Activity</u>
International	\$ 0 over 1 acct	2 roundtrips	12/6/00	18 roundtrips
Cash	\$ 1.0 million			

Note: Partial Liquidation 11/27/00

SDC

Seligman Data Corp.

FREQUENT TRADING ACTIVITY REPORTAS OF 12/31/00*Category I - Recent Additions to the Report*

Investec Ernst & Co. New York, NY. Y-T-D sales: \$3,357 redemptions: \$3,151,010. total assets under management: \$3,269,377. Exchanges processed via NSCC/Fundserv. Date added to report: 5/15/00.

<u>Fund</u>	<u>Current Dollars by Fund</u>	<u>Activity from 11/16 to 12/31</u>	<u>Last Activity Date</u>	<u>YTD 2000 Activity</u>
Global Smaller	\$ 0 over 1 acct	4 roundtrips	12/13/00	21 roundtrips
Global Growth	\$ 0 over 1 acct	3 roundtrips	12/14/00	20 roundtrips
International	\$ 0 over 2 accts	3 roundtrips	12/15/00	36 roundtrips
Emerging Mkts	\$ 0 over 1 acct	2 roundtrips	12/15/00	15 roundtrips
Cash	\$ 3.2 million			

*Note: Partial Liquidation 12/27/00*

EXHIBIT 3

-----BEGIN PRIVACY-ENHANCED MESSAGE-----

Proc-Type: 2001,MIC-CLEAR

Originator-Name: keymaster@town.hall.org

Originator-Key-Asymmetric:

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MIC-Info: RSA-MD5,RSA,

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1/31/06*

&lt;IMS-DOCUMENT&gt;0000881466-95-000002.txt : 19950601

&lt;IMS-HEADER&gt;0000881466-95-000002.hdr.sgml : 19950601

ACCESSION NUMBER: 0000881466-95-000002

CONFORMED SUBMISSION TYPE: 485BPOS

PUBLIC DOCUMENT COUNT: 14

FILED AS OF DATE: 19950301

EFFECTIVENESS DATE: 19950301

SROS: NONE

FILER:

## COMPANY DATA:

COMPANY CONFORMED NAME:	SELIGMAN HENDERSON GLOBAL FU
CENTRAL INDEX KEY:	0000881466
STANDARD INDUSTRIAL CLASSIFICATION:	UNKNOWN SIC - 0000 {0000}
STATE OF INCORPORATION:	MD
FISCAL YEAR END:	1231

## FILING VALUES:

FORM TYPE:	485BPOS
SEC ACT:	1933 Act
SEC FILE NUMBER:	033-44186
FILM NUMBER:	95517731

## FILING VALUES:

FORM TYPE:	485BPOS
SEC ACT:	1940 Act
SEC FILE NUMBER:	811-06485
FILM NUMBER:	95517732

## BUSINESS ADDRESS:

STREET 1:	130 LIBERTY ST
CITY:	NEW YORK
STATE:	NY
ZIP:	10006
BUSINESS PHONE:	2124880200

## FORMER COMPANY:

FORMER CONFORMED NAME:	SELIGMAN INTERNATIONAL FUND SERIES INC
DATE OF NAME CHANGE:	19920717

&lt;/IMS-HEADER&gt;

&lt;DOCUMENT&gt;

&lt;TYPE&gt;485BPOS

&lt;SEQUENCE&gt;1

&lt;DESCRIPTION&gt;FORM N-1A UNDER PARAGRAPH (B) OF RULE 485

&lt;TEXT&gt;

File No. 33-44186  
811-6485

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## FORM N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Pre-Effective Amendment No.

Post-Effective Amendment No. 14

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940

Amendment No. 16

SELIGMAN HENDERSON GLOBAL FUND SERIES, INC.  
(Exact name of registrant as specified in charter)

-----  
100 PARK AVENUE, NEW YORK, NEW YORK 10017  
(Address of principal executive office)

-----  
Registrant's Telephone Number: 212-850-1864 or Toll Free: 800-221-2450

-----  
THOMAS G. ROSE, Treasurer, 100 Park Avenue, New York, New York 10017  
(Name and address of agent for service)

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

immediately upon filing pursuant to paragraph (b) of rule 485

on March 1 pursuant to paragraph (b) of rule 485

60 days after filing pursuant to paragraph (a)(i) of rule 485

on (date) pursuant to paragraph (a)(i) of rule 485

75 days after filing pursuant to paragraph (a)(ii) of rule 485

on (date) pursuant to paragraph (a)(ii) of rule 485.

If appropriate, check the following box:

This post-effective amendment designates a new effective date for a previously filed post-effective amendment.

Registrant has registered an indefinite amount of securities under the

Securities Act of 1933 pursuant to Rule 24f-2(a)(1) and a Rule 24f-1 Notice for Registrant's most recent fiscal year will be filed with the Commission on December 21, 1994

<PAGE>

File No. 33-44186  
811-6485

SELIGMAN HENDERSON GLOBAL FUND SERIES, INC.  
POST-EFFECTIVE AMENDMENT NO. 14  
CROSS REFERENCE SHEET  
Pursuant to Rule 481 (a)

<TABLE>  
<CAPTION>

Form N-1A Part A-Item No. -----	Location in Prospectus -----
<S>    <C>	<C>
1.    Cover Page	Cover Page
2.    Synopsis	Summary of Fund Expenses
3.    Condensed Financial Information	Financial Highlights
4.    General Description of Registrant	Cover Page; Organization and Ca
5.    Management of Fund	Management Services
5a.   Manager's Discussion of Fund Performance	Management Services
6.    Capital Stock and Other Securities	Organization and Capitalization
7.    Purchase of Securities Being Offered	Alternative Distribution System Shareholder Services and Distri
8.    Redemption or Repurchase	Telephone Transactions; Redempt
9.    Legal Proceedings	Not applicable
Part B-Item No. -----	Location in Statement of Additi -----
10.   Cover Page	Cover Page
11.   Table of Contents	Table of Contents
12.   General Information and History	General Information; Organizati
13.   Investment Objectives and Policies	Investment Objective, Policies
14.   Management of the Registrant	Management and Expenses

15. Control Persons and Principal Holders of Securities	Directors and Officers; General
16. Investment Advisory and Other Services	Management and Expenses; Distri
17. Brokerage Allocation	Portfolio Transactions; Admin Distribution Plan
18. Capital Stock and Other Securities	General Information; Organizati
19. Purchase, Redemption and Pricing of Securities Being Offered	Purchase and Redemption of Fund
20. Tax Status	Taxes
21. Underwriters	Distribution Services
22. Calculation of Performance Data	Performance Information
23. Financial Statements	Financial Statements

</TABLE>

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PROSPECTUS

SELIGMAN HENDERSON GLOBAL FUND SERIES, INC.

SELIGMAN HENDERSON INTERNATIONAL FUND

SELIGMAN HENDERSON GLOBAL SMALLER COMPANIES FUND

SELIGMAN HENDERSON GLOBAL TECHNOLOGY FUND

100 Park Avenue  
New York, NY 10017  
New York City Telephone: (212) 850-1864

Toll-Free Telephone: (800) 221-2450--all continental United States  
For Retirement Plan Information--Toll-Free Telephone: (800) 445-1777

March 1, 1995

SELIGMAN HENDERSON INTERNATIONAL FUND (the "International Fund") seeks long-term capital appreciation primarily by making investments in securities of non-United States issuers.

SELIGMAN HENDERSON GLOBAL SMALLER COMPANIES FUND (the "Global Smaller Companies Fund"), formerly Seligman Henderson Global Emerging Companies Fund, seeks long-term capital appreciation primarily by making global investments in companies with small to medium market capitalization.

SELIGMAN HENDERSON GLOBAL TECHNOLOGY FUND (the "Global Technology Fund") seeks long-term capital appreciation by making global investments of at least 65% of its assets in securities of companies with business operations in technology and technology-related industries.

The International Fund, the Global Smaller Companies Fund and the Global Technology Fund (each individually, a "Series") are each a separate series of Seligman Henderson Global Fund Series, Inc. (the "Fund"), an open-end diversified management investment company. The Fund may offer additional series in the future. There can be no assurance that a Series will achieve its objectives. For a description of each Series' investment objective and policies, including the risk factors associated with an investment in the Fund, see "Investment Objectives And Policies."

The Fund is managed by J. & W. Seligman & Co. Incorporated (the "Manager"). Seligman Henderson Co. (the "Subadviser") supervises and directs the Fund's global investments.

Each Series offers two classes of shares. Class A shares are sold subject to an initial sales load of up to 4.75% and an annual service fee currently charged at a rate of up to .25 of 1% of the average daily net asset value of the Class A shares. Class D shares are sold without an initial sales load but are subject to a contingent deferred sales load ("CDSL") of 1% imposed on certain redemptions within one year of purchase, an annual distribution fee of up to .75 of 1% and an annual service fee of up to .25 of 1% of the average daily net asset value of the Class D shares. See "Alternative Distribution System." Shares of a Series may be purchased through any authorized investment dealer.

This Prospectus sets forth concisely the information a prospective investor should know about the Fund and the Series before investing. Please read it carefully before you invest and keep it for future reference. Additional information, including a Statement of Additional Information, has been filed with the Securities and Exchange Commission. The Statement of Additional Information is available upon request without charge by calling or writing the Fund at the telephone numbers or the address set forth above. The Statement of Additional Information is dated the same date as this Prospectus and is incorporated herein by reference in its entirety.

SHARES IN THE FUND ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, ANY BANK, AND SHARES ARE NOT FEDERALLY INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE FEDERAL RESERVE BOARD, OR ANY OTHER AGENCY.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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#### SUMMARY OF SERIES' EXPENSES

<TABLE>

<CAPTION>

	INTERNATIONAL FUND		GLOBAL SMALLER COMPANIES FUND		GLOB TECHNOLOG	
	CLASS A	CLASS D	CLASS A	CLASS D	CLASS A	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
SHAREHOLDER TRANSACTION EXPENSES						
Maximum Sales Load Imposed on Purchases (as a percentage of offering price).....	4.75%	None	4.75%	None	4.75%	
Sales Load on Reinvested Dividends..	None	None	None	None	None	
Deferred Sales Load (as a percentage of original purchase price or redemption proceeds, whichever is lower).....	None	1% during first year; None thereafter	None	1% during first year; None thereafter	None	fi
Redemption Fees.....	None	None	None	None	None	t
Exchange Fees.....	None	None	None	None	None	
<CAPTION>	CLASS A	CLASS D	CLASS A	CLASS D	CLASS A*	C
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ANNUAL SERIES OPERATING EXPENSES FOR FISCAL 1994 (as a percentage of average net assets)						
Management Fees.....	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
12b-1 Fees.....	.06%	1.00%**	.21%	1.00%**	.19%	
Other Expenses (net of fees waived).....	.57%	.50%	.71%	.70%	.81%	
Total Fund Operating Expenses.....	1.63%	2.50%	1.92%	2.70%	2.00%	

</TABLE>

The purpose of this table is to assist investors in understanding the various costs and expenses which shareholders of the Fund bear directly or indirectly. The sales load on Class A shares is a one-time charge paid at the time of purchase of shares. Reductions in sales loads are available in certain circumstances. The CDSL on Class D shares is a one-time charge paid only if shares are redeemed within one year of purchase. For more information concerning reductions in sales loads and for a more complete description of the various costs and expenses, see "Purchase Of Shares," "Redemption Of Shares" and "Management Services" herein. Each Series' Administration, Shareholder Services and Distribution Plan for Class A and Class D shares to which the caption "12b-1 Fees" relates is discussed under "Administration, Shareholder Services and Distribution Plan" herein.

In fiscal 1994, the Manager and Subadviser, at their discretion, waived a portion of their fees for Class D shares of the International Fund and for both Classes of shares of the Global Technology Fund. These waivers are reflected as a reduction of other expenses. Absent such waivers, the total oper-

ating expenses for Class D shares of the International Fund and Class A and Class D shares of the Global Technology Fund, respectively, would have been 2.67%, 2.18% and 3.36%, respectively. There can be no assurance that the Manager or Subadviser will waive any of their fees or reimburse expenses in future periods.

<TABLE>  
<CAPTION>

EXAMPLE	INTERNATIONAL FUND		GLOBAL SMALLER COMPANIES FUND		GLOBAL TECHNOLOGY FUND	
	CLASS A	CLASS D	CLASS A	CLASS D	CLASS A	CLASS D
<S>	<C>	<C>	<C>	<C>	<C>	<C>
An investor would pay the following expenses on a \$1,000 investment, assuming (i) a 5% annual return and (ii) redemption at the end of the period shown:						
1 year.....	\$ 63	\$ 35+	\$ 66	\$ 37+	\$ 67	\$ 38+
3 years.....	96	78	105	84	107	85
5 years.....	132	133	146	143	150	145
10 years.....	232	284	261	303	269	308

</TABLE>

THE EXAMPLE SHOULD NOT BE CONSIDERED A REPRESENTATION OF PAST OR FUTURE EXPENSES. ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN AND THE 5% ANNUAL RETURN USED IN THIS EXAMPLE IS A HYPOTHETICAL RATE.

\* Annualized.

\*\* Includes an annual distribution fee of .75 of 1% and an annual service fee of .25 of 1% (collectively, "distribution fee"). The aggregate deferred sales loads and asset-based sales loads on Class D shares of the Fund may not exceed 6.25% of total gross sales, subject to certain exclusions. The 6.25% limitation is imposed on the Fund rather than on a per shareholder basis. Therefore, a long-term Class D shareholder of the Fund may pay more in total sales loads (including distribution fees) than the economic equivalent of 6.25% of such shareholder's investment in such shares.

+ Assuming (i) a 5% annual return and (ii) no redemption at the end of one year, the expenses on a \$1,000 investment would be:

<TABLE>  
<CAPTION>

International Fund	Global Smaller Companies Fund	Global Technology Fund
<C>	<C>	<C>
Class D--\$25	Class D--\$27	Class D--\$28

</TABLE>

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FINANCIAL HIGHLIGHTS

Each Series' financial highlights for Class A and Class D shares for the periods presented below have been audited by Deloitte & Touche LLP, independent auditors. This information, which is derived from the financial and accounting records of the Series, should be read in conjunction with the financial state-

&lt;PAGE&gt;

and North Carolina Tax-Exempt Series, each of which invests in tax-exempt securities of its designated state.

All permitted exchanges will be based on the then current net asset values of the respective funds. Telephone requests for exchanges must be received between 8:30 a.m. and 4:00 p.m. New York time, on any business day, by Seligman Data Corp. at (800) 221-2450, and will be processed as of the close of business on that day. The registration of an account into which an exchange is made must be identical to the registration of the account from which shares are exchanged. When establishing a new account by an exchange of shares, the shares being exchanged must have a value of at least the minimum initial investment required by the mutual fund into which the exchange is being made. The method of receiving distributions, unless otherwise indicated, will be carried over to the new Fund account. Account services, such as Invest-A-Check (R) Service, Directed Dividends and Automatic Cash Withdrawal Service will not be carried over to the new Fund account unless specifically requested and permitted by the new Fund. Exchange orders may be placed to effect an exchange of a specific number of shares, an exchange of shares equal to a specific dollar amount or an exchange of all shares held. Shares for which certificates have been issued may not be exchanged via telephone and may be exchanged only upon receipt of an exchange request together with certificates representing shares to be exchanged in form for transfer.

Telephone exchanges are only available to shareholders whose accounts are registered individually, as joint tenancies or IRAs. The Exchange Privilege via mail is generally applicable to investments in an IRA and other retirement plans, although some restrictions may apply. The terms of the exchange offer described herein may be modified at any time; and not all of the mutual funds in the Seligman Group are available to residents of all states. Before making any exchange, a shareholder should contact an authorized investment dealer or Seligman Data Corp. to obtain prospectuses of any of the mutual funds in the Seligman Group.

A broker/dealer of record will be able to effect exchanges on behalf of a shareholder only if the broker/dealer has entered into a Telephone Exchange Agreement with SFSI wherein the broker/dealer must agree to indemnify SFSI and the mutual funds in the Seligman Group from any loss or liability incurred as a result of the acceptance of telephone exchange orders.

Written confirmation of all exchanges will be forwarded to the shareholder to whom the exchanged shares are registered and a duplicate confirmation will be sent to the dealer of record listed on the account. SFSI reserves the right to reject a telephone exchange request. The Fund reserves the right to reject any telephone requests for transactions with a share value exceeding \$250,000. Any rejected telephone exchange order may be processed by mail. For more information about telephone exchanges, including the procedure for electing such service and the circumstances under which shareholders may bear the risk of loss for a fraudulent transaction, see "Telephone Transactions" above.

Exchanges of shares are sales and may result in a gain or loss for Federal income tax purposes.

#### FURTHER INFORMATION ABOUT TRANSACTIONS IN THE FUND

Because excessive trading (including short-term, "market timing" trading) can hurt a Series' performance, the Fund, on behalf of a Series, may refuse any exchange (1) from any shareholder account from which there have been two exchanges in the preceding three month period, or (2) where the exchanged shares

equal in value the lesser of \$1,000,000 or 1% of the Series' net assets. The Fund may also refuse any exchange or purchase order from any shareholder account if the shareholder or the shareholder's broker/dealer has been advised that previous patterns of purchases and redemptions or exchanges have been considered excessive. Accounts under common ownership or control, including those with the same

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&lt;PAGE&gt;

taxpayer ID number and those administered so as to redeem or purchase shares based upon certain predetermined market indicators, will be considered one account for this purpose. Additionally, the Fund reserves the right to refuse any order for the purchase of shares.

#### DIVIDENDS AND DISTRIBUTIONS

Dividends payable from each Series' net investment income are distributed at least annually. Payments vary in amount depending on income received from portfolio securities and the cost of operations. Each Series distributes substantially all of any taxable net long-term and short-term gain realized on investments to shareholders at least annually. Dividends and distributions will generally be taxable to shareholders in the year in which they are declared by the Fund if paid before February 1 of the following year.

Shareholders may elect (1) to receive both dividends and gain distributions in shares; (2) to receive dividends in cash and gain distributions in shares; or (3) to receive both dividends and gain distributions in cash. In the case of prototype retirement plans, dividends and capital gain distributions are reinvested in additional shares. Unless another election is made, dividends and capital gain distributions will be credited to shareholder accounts in additional shares. Shares acquired through a dividend or gain distribution and credited to a shareholder's account are not subject to an initial sales load or a CDSL. Dividends and gain distributions paid in shares are invested at the net asset value on the ex-dividend date. Shareholders may elect to change their dividend and gain distribution options by writing Seligman Data Corp. at the address listed below. If the shareholder has elected telephone services, changes may also be telephoned to Seligman Data Corp. between 8:30 a.m. and 5:30 p.m. New York time, by either the shareholder or the broker/dealer of record on the account. For information about electing telephone services, see "Telephone Transactions." These elections must be received by Seligman Data Corp. at least five business days before the payable date, otherwise payment will be made in accordance with the current option on the shareholder's account.

The per share dividends from net investment income on Class D shares will be lower than the per share dividends on Class A shares as a result of the higher distribution fee applicable with respect to Class D shares. Per share dividends of the two classes may also differ as a result of differing class expenses. Distributions of net capital gains, if any, will be paid in the same amount for Class A and Class D shares. See "Purchase Of Shares--Valuation."

Shareholders exchanging shares of a mutual fund for shares of another Series or of another mutual fund in the Seligman Group will continue to receive dividends and gains as elected prior to such exchange unless otherwise specified. In the event that a shareholder redeems all shares in an account between the record date and the payable date, the value of dividends or gain distributions declared and payable will be paid in cash regardless of the existing election.

#### FEDERAL INCOME TAXES

EXHIBIT 4

Ex 1 ID

1/8/04  
YG

Confidential Treatment  
Requested By  
J. & W. Seligman & Co. Incorporated  
Item No. 2.1

Ex L. 1. + 2

Confirmations will not affect the date on which your shares are redeemed, but it may delay the payment of proceeds.

You may need to provide additional documents to sell Fund shares if you are:

- a corporation;
- an executor or administrator;
- a trustee or custodian; or
- in a retirement plan.

If your Fund shares are represented by certificates, you will need to surrender the certificates to SDC before you sell your shares.

Contact an authorized dealer, your financial advisor or SDC's Shareholder Services Department for information on selling your shares under any of the above circumstances.

You may also use the following account service to sell Fund shares:

**Systematic Withdrawal Plan.** If you have at least \$5,000 in the Fund, you may withdraw (sell) a fixed dollar amount (minimum of \$50) of uncertificated shares at regular intervals. A check will be sent to you at your address of record or, if you have current ACH bank information on file, you may have your payments directly deposited to your predesignated bank account, generally within 2 business days after your shares are sold. If you bought \$1,000,000 or more of Class A shares without an initial sales charge, your withdrawals may be subject to a 1% CDSC if they occur within 18 months of purchase. If you own Class B, Class C, Class D or Class R shares and reinvest your dividends and capital gain distributions, you may annually withdraw 12%, 10%, 10% or 10%, respectively, of the value of your Fund account (at the time of election) without a CDSC.

### Important Policies That May Affect Your Account

To protect you and other shareholders, the Fund reserves the right to:

- Refuse an exchange request if:
  1. you have exchanged twice from the same fund in any three-month period;
  2. the amount you wish to exchange equals or exceeds the lesser of \$1,000,000 or 1% of the Fund's net assets; or
  3. you, an authorized dealer or your financial advisor have been advised that previous patterns of purchases and sales or exchanges have been considered excessive.
- Refuse any request to buy Fund shares;
- Reject any request received by telephone;
- Suspend or terminate telephone services;
- Reject a signature guarantee that SDC believes may be fraudulent;
- Close your fund account if its value falls below \$500, although the Fund generally will not close an account that falls below \$500 as a result of a market decline. The Fund will notify you in writing at least 30 days before closing your account;
- Close your account if it does not have a certified taxpayer identification number.
- Request additional information or close your account to the extent required or permitted by applicable law or regulations, including those related to the prevention of money laundering.

#### Telephone Services

You, an authorized dealer or your financial advisor will be able to place the following requests by telephone, unless you indicate on your account application that you do not want telephone services:

- Sell uncertificated shares (up to \$50,000 per day, payable to account owner(s) and mailed to address of record);
- Exchange shares between funds;

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EXHIBIT 5

Unknown

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From: [REDACTED]  
Sent: Friday, February 27, 1998 1:21 PM  
To: [REDACTED]  
Cc: [REDACTED]  
Subject: Cash Flows: Global Tech Fund

[REDACTED]

We think we have identified a couple of "market timers" who are shifting considerable assets in and out of the GT fund. It could be that two of them were coincidental earlier this week and were therefore detected.

I will speak with our marketing and sales managers to address the issue, which is clearly prohibited in the prospectus language.

I will let you know more early next week.

Best regards--

[REDACTED]



EXHIBIT 6

## Dealer Services

Meeting Minutes  
October 18, 1996

PET 43-1D  
2/7/06

### Handouts:

- Supplement, dated September 5, 1996, to the prospectus, dated April 22, 1996.
- Electronic Check Collection (ECC) via ACH payments to Mellon Bank.

### FYI:

- Please use a separate processing request form when adding broker dealer and representative phone numbers. Forward to [REDACTED] for processing.
- The AVL system does not supply transfer and exchange information within the "Most Recent Transactions" option. Seligman is working to include this information in the near future.
- Please alert your supervisor about any problems with your own personal accounts. Please do not make any financial adjustments without receiving approval from a supervisor. If an adjustment must be done - do not write it yourself. Also: Personnel needs notification one week in advance to process any changes for your individual payroll deduction accounts and/or thrift plan investments.
- The ACH system can also be utilized for:
  - Payroll contribution purchases
  - Dividend payments
  - Alternative to Fed Wires

\*Note: This is only being done on a limited basis and as an exception. A 14 day pronote period will apply. Please review the Electronic Check Collection memo.

- Call [REDACTED] with any large exchanges (\$500,000-\$750,000 or more). Be cognizant of the percentage of the exchange in relation to the size of the fund/class. Also - Comment on the Exchange Form and Tracking who you spoke to in Treasurer's Dept. and time of conversation.
- 14-day hold policy applies for all purchases through ACH. Since banks may request we return funding to them for several weeks after the transaction has taken place.
- House Accounts - Please refer branch offices to their main back office when dealing with "House Account" transactions (exchanges, redemption's, and transfer's).
- Law & Regulation is currently reviewing the procedure of accepting blanket letter of indemnity's from Broker Dealers. Currently no firm has such an agreement with Seligman. This proposal, if approved, will eliminate the need for firms to send a separate letter of indemnity for each corrective transaction.

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J. & W. Seligman & Co. Incorporated

JWS\_AG\_022105

### Reminder

- Please do not use acronym's when referring to the funds or services (ex: SWP, C&I) since clients may not be familiar with our jargon.
- Review the quick reference manual revisions to Section II, page 3.1 - NAV Pricing Schedule and Finder's Fee.
- Market timing - "because excessive trading can hurt a funds' performance, Seligman may refuse any exchange (1) from any shareholder account from which there have been two exchanges in the proceeding three month period, or (2) where the exchanged shares equal in value the lesser of \$1,000,000 or 1% of the funds' net assets. Also, Seligman may refuse any exchange if the shareholder or broker dealer has been advised that the patterns of exchanges have been considered excessive."

Finally, the fund reserves the right to refuse any exchange as noted in the prospectus.

(Although this provision is rarely exercised you can refer to it if you are questioned by market timers doing excessive trading.)

- Try to be comprehensive not brief on tracking. Try to leave room for additional comments for items forwarded to Inquiry Resolution.

### Financial Planner Services:

- All questions regarding DAZL - The electronic data information delivery service will be handled by Financial Planner Services starting next week.
- Financial Planner Services will also offer support to the smaller firms (other than the "Top 50"), backing up Dealer Back Office Support.
- [REDACTED] is creating an Invest-A-Check service election form similar to the phone services election form. This form will be available in the near future.
- Financial Planner Services has a procedure to send telephone services forms to clients of Financial Planners if requested. This can be helpful if/when this need arises.

Winter is coming - Please give your home phone to your supervisor in case of incimate weather.

### Upcoming Mailings:

- Consolidated Quarterly Statements - should be mailed to brokers and shareholders within the next few days.
- Asset Builder Statements - should be mailed next week.
- 12b-1 commission statements and checks - should be sent out next week.
- New check books (7000-8000) will be mailed to shareholders who have not already receive them, reflecting the bank change to Boston Safety Deposit.

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JWS\_AG\_022106

- Trustee Fee mailing - extract will be done on 10/31/96. Mailing will be in November.
- Possible mailing to shareholders regarding the capital gain payment in November. Past capital gains were paid in December. More info to follow.
- Name changes for the Tax Exempt Fund's have been approved. "Tax-Exempt" has been replaced with "Municipal."

**[REDACTED]**  
cc: **[REDACTED]**  
**[REDACTED]**  
**[REDACTED]**  
**[REDACTED]**  
**[REDACTED]**  
**[REDACTED]**  
**[REDACTED]**

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J. & W. Seligman & Co. Incorporated

JWS\_AG\_022107

EXHIBIT 7

Unknown

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From: [REDACTED] (SDC)  
Sent: Friday, May 08, 1998 1:36 PM  
To: [REDACTED]  
Subject: April Timers Report



APR298.DOC (24 KB)

PENGLD 800-831-8889  
PLAINTIFF'S  
EXHIBIT  
22  
1-11-06

A handwritten signature in black ink, appearing to be a stylized 'A' or similar character.

## FREQUENT TRADING ACTIVITY REPORT FOR APRIL, 1998

[REDACTED] Smith Barney Inc., Cleveland, OH. (Sales Professional: [REDACTED])  
[REDACTED]. Y-T-D sales: \$0, redemptions: \$0, assets: \$14,000,000, Accounts: 8.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Common Stock	\$ 1.4 million	1 one way exchange
Growth	\$600,000	1 one way exchange
Capital	\$ 2.7 million	6 one way exchanges
Global Smaller Co. International	\$ 3.0 million	6 roundtrips None

[REDACTED] Golden Gate Financial Group, AKA GGFG Securities, San Francisco, CA. (Sales Professional: [REDACTED]). Y-T-D sales: \$468,000, redemptions: \$136,000, assets: \$3,800,000, Accounts: 5.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Frontier	\$ 1.4 million	1 one way exchange

\*Some accounts that were regularly timed were closed in 1997. He then began trading in other accounts.

[REDACTED] Scott & Stringfellow Inc., Roanoke, VA. (Sales Professional: [REDACTED])  
[REDACTED]. Y-T-D sales: \$0, redemptions: \$2,100,000, assets: \$2,665, Accounts: 3.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$ 1 million	None
Frontier	\$ 500,000	None
Global Tech	\$ 1 million	None

[REDACTED] (Tolbert Investments), PaineWebber Inc., Hinsdale, IL. (Sales Professional: [REDACTED]). Y-T-D sales: \$7,267, redemptions: \$186,000, assets: \$6,300,000, Accounts: 4.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$ 200,000	None
Michigan Municipal	\$ 450,000	None
National	\$ 2.9 million	None
California - Quality	\$ 1 million	None

1  
Report by: [REDACTED]



██████████, Everen Securities, Bellevue, WA. (Sales Professional: ██████████)  
 ██████████) Y-T-D sales: \$3,844 redemptions: \$234,000, assets: \$927,000, Accounts: 28.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$ 1 million	None

██████████, J.C. Bradford, Atlanta, GA (Sales Professional: ██████████)  
 ██████████) Y-T-D sales \$1,297,057. redemptions \$3,900,000, assets: \$6,200,000,  
 Accounts: 8.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$ 1 million	None
Frontier	\$ 640,000	6 roundtrips
Global Tech	\$ 3.8 million	None

██████████, EQ Financial, San Francisco, CA (Sales Professional: ██████████)  
 Y-T-D sales \$0: redemptions: \$0, assets: \$1,400,000, Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Common Stock	\$ 570,000	None
Growth	\$ 788,000	1 roundtrip
Comm & Info	\$ 767,000	5 roundtrips
Frontier	\$766,000	3 roundtrips

██████████, Prudential Securities, Schaumburg, IL (Sales Professional: ██████████)  
 ██████████) Y-T-D sales \$5,000,000: redemptions: \$7,900 assets: \$5,500,000, Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Global Smaller Co.	\$ 4 million	3 roundtrips

██████████, Smith Barney, Westport, CT (Sales Professional: ██████████)  
 Y-T-D sales: \$3,250,700, redemptions: \$0, assets: \$7,900,000, Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$ 3.1 million	4 roundtrips
Global Tech	\$ 1.1 million	4 roundtrips
Global Smaller Co	\$1.3 million	3 roundtrips
Frontier	\$1.9 million	3 roundtrips

3  
 Report by: ██████████

██████████ Addison Securities, Irving, TX. (Sales Professional: ██████████) Y-T-D sales: \$237,000, redemptions: \$136,000, Assets: \$ 984,000, Accounts: 8.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
International	\$ 732,000	6 roundtrips, 6 one way exchange

██████████ Legg Mason Wood Walker Inc., Boston MA. (Sales Professional: ██████████) Y-T-D sales: \$866,000, redemptions: \$45,000, assets: \$1,900,000, Accounts: 10.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$ 1.8 million	15 roundtrips, 2 one way exchanges
Global Smaller	\$ 571,000	None
International	\$ 485,000	2 roundtrips
Global Growth	\$ 480,000	2 roundtrips

██████████ Prudential Securities, Chicago IL. (Sales Professional: ██████████) Y-T-D sales: \$9,600,000, redemptions: \$1,300,000, assets: \$8,500,000, Accounts: 4.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$4.5 million	4 roundtrips, 1 one way exchange
Frontier	\$2.1 million	3 roundtrips
Global Tech	\$1.8 million	3 roundtrips

██████████ Bear Stearns, New Cannan CT. (Sales Professional: ██████████) Y-T-D sales: \$4,500,000, redemptions: \$0, assets: \$4,900,000. Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$4.7 million	1 roundtrip
Global Smaller	\$4.7 million	2 roundtrips, 1 one way exchange
Global Tech	\$2.5 million	None

██████████ Paine Webber, New York, NY. (Sales Professional: ██████████) Y-T-D sales: \$0, redemptions: \$0, assets: \$2,400,000, Accounts: 2.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>April 1998 Activity</u>
Comm & Info	\$1.2 million	5 roundtrips
Global Tech	\$1.1 million	5 roundtrips

4

Report by: ██████████



EXHIBIT 8

Exhibit 3 ID  
11/5/06  
VG

**SDC**

Seligman Data Corp.

**FREQUENT TRADING ACTIVITY REPORT**  
**Y-T-D 5/31/1998**

[REDACTED], Smith Barney Inc., Cleveland, OH. (Sales Professional: [REDACTED]). Y-T-D sales: \$0, redemptions: \$0, assets: \$14,000,000, Accounts: 8.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Common Stock	\$ 1.4 million	2 roundtrips, 3 one way exchanges
Growth	\$ 900,000	1 roundtrips
Capital	\$ 2 million	3 roundtrips
Global Smaller Co.	\$ 1.7 million	5 roundtrips
International	\$ 2.6 million	8 roundtrips, 2 one way exchanges

[REDACTED], Golden Gate Financial Group, AKA GGFG Securities, San Francisco, CA. (Sales Professional: [REDACTED]). Y-T-D sales: \$470,000, redemptions: \$239,000, assets: \$3,600,000, Accounts: 5.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Frontier	\$ 1.4 million	5 roundtrips, 4 one way exchange

*\*Some accounts that were regularly timed were closed in 1997. He then began trading in other accounts.*

[REDACTED] Scott & Stringfellow Inc., Roanoke, VA. (Sales Professional: [REDACTED]). Y-T-D sales: \$0, redemptions: \$2,100,000, assets: \$2,532, Accounts: 3.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$ 1 million	11 roundtrips
Frontier	\$ 500,000	8 roundtrips
Global Tech	\$ 1 million	4 roundtrips

[REDACTED] (Tolbert Investments), PaineWebber Inc., Hinsdale, IL. (Sales Professional: [REDACTED]). Y-T-D sales: \$7,267, redemptions: \$248,721, assets: \$6,300,000, Accounts: 4.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$ 200,000	2 roundtrips
Michigan Municipal	\$ 450,000	1 roundtrip
National	\$ 2.9 million	1 roundtrip
California - Quality	\$ 1 million	1 roundtrip

Report by: [REDACTED]

1

██████████ Robert Thomas Securities, Ft. Wayne, IN. (Sales Professional: ██████████). Y-T-D sales: \$9,700, redemptions: \$61,000, assets: \$1,300,000, Accounts: 24.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Frontier	\$ 636,000	78 roundtrips, 17 one way exchanges

██████████ Royal Alliance Associates, New York, NY. (Sales Professional: ██████████). Y-T-D sales: \$124,163, redemptions: \$85,216, assets: \$3,700,000, Accounts: 8.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Common Stock	\$ 1.4 million	10 roundtrips, 2 one way exchange
Comm & Info	\$ 2.1 million	13 roundtrips, 5 one way exchanges
Frontier	\$ 3 million	43 roundtrips, 14 one way exchanges
Global Tech	\$ 1 million	3 roundtrips, 5 one way exchange
International	\$ 669,000	2 roundtrip, 5 one way exchanges

██████████, PaineWebber Inc., Overland Park, KS. (Sales Professional: ██████████). Y-T-D sales: \$2,713, redemptions: \$0, assets: \$1,100,000, Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$ 850,000	19 roundtrips, 1 one way exchange

██████████ David Cannarsa Investments, Muskogee, OK. (Sales Professional: ██████████). Y-T-D sales: \$10,693, redemptions: \$36,000, assets: \$1,100,000, Accounts: 3.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$ 437,000	33 roundtrips, 3 one way exchange

██████████, Paine Webber Inc., Charlottesville, VA. (Sales Professional: ██████████). Y-T-D sales: \$5,000,000, redemptions: \$0, assets: \$18,000,000, Accounts: 2.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Growth	\$ 6.8 million	44 roundtrips, 6 one way exchanges
Capital	\$ 4.5 million	40 roundtrips, 4 one way exchanges
Comm & Info	\$ 13.1 million	43 roundtrips, 4 one way exchanges

Report by: ██████████



[REDACTED], Addison Securities, Irving, TX. (Sales Professional: [REDACTED])  
Y-T-D sales: \$259,676, redemptions: \$137,691, Assets: \$ 990,730, Accounts: 8.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
International	\$ 732,000	55 roundtrips, 7 one way exchange

*A stop has been placed on all accounts in the International fund to disallow any further exchange activity.*

[REDACTED], Legg Mason Wood Walker Inc., Boston MA. (Sales Professional: [REDACTED]). Y-T-D sales: \$866,408, redemptions: \$394,991, assets: \$1,100,000, Accounts: 10.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$ 1.8 million	96 roundtrips, 12 one way exchanges
Global Smaller	\$ 571,000	2 roundtrips
International	\$ 485,000	4 roundtrips
Global Growth	\$ 480,000	4 roundtrips

[REDACTED], Prudential Securities, Chicago IL. (Sales Professional: [REDACTED])  
[REDACTED]. Y-T-D sales: \$12,935,011, redemptions: \$1,360,070, assets: \$8,400,000,  
Accounts: 4.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$4.5 million	16 roundtrips, 2 one-way
Frontier	\$2.1 million	12 roundtrips
Global Tech	\$1.8 million	11 roundtrips

[REDACTED], Bear Stearns, New Cannan CT. (Sales Professional: [REDACTED])  
[REDACTED] Y-T-D sales: \$4,500,000, redemptions: \$0, assets: \$4,900,000. Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$4.7 million	6 roundtrips
Global Smaller	\$4.7 million	6 roundtrips
Global Tech	\$2.5 million	1 roundrip

Report by: [REDACTED]

4

[REDACTED] Paine Webber, New York, NY. (Sales Professional: [REDACTED])  
[REDACTED] Y-T-D sales: \$0, redemptions: \$0, assets: \$2,300,000, Accounts: 2.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$1.2 million	24 roundtrips, 1 one way exchange
Global Tech	\$1.1 million	23 roundtrips, 1 one way exchange

*A stop has been placed on all accounts in the Global Tech fund to disallow any further exchange activity.*

[REDACTED] Oppenheimer & Co., New York NY. (Sales Professional: [REDACTED])  
[REDACTED] Y-T-D sales: \$17,318,424, redemptions: \$297,378, assets: \$22,800,000,

Accounts 12.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Growthl	\$538,000	12 roundtrips
Comm & Info	\$11.4 million	107 roundtrips, 7 one-way exchange
Frontier	\$1.6 million	19 roundtrips, 1 one way exchange
Global Smaller	\$4.4 million	21 roundtrips, 2 one-way
Global Tech	\$2.4 million	2 roundtrips

*A stop has been placed on all accounts in the Global Smaller and Global Tech funds to disallow any further exchange activity.*

[REDACTED], Smith Barney Inc., Chicago, IL. (Sales Professional: [REDACTED])  
[REDACTED] Y-T-D sales: \$0, redemptions \$0, assets \$1,000,000, Accounts: 1.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$1 million	21 roundtrips, 1 oneway exchange

Report by: [REDACTED]

[REDACTED], Prudential Securities, New York, NY. (Sales Professional: [REDACTED])  
[REDACTED]. Y-T-D sales: \$0, redemptions: \$0, assets: \$ 6,800,000, Accounts: 2.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Comm & Info	\$6.8 million	38 roundtrips, 1 one way exchange

[REDACTED], Smith Barney, Richmond, VA. (Sales Professional: [REDACTED])  
[REDACTED]. Y-T-D sales: \$1,071,403, redemptions, \$ 0, assets: \$2,300,000, Accounts 2.

<u>Fund</u>	<u>Approximate Dollar Amount</u>	<u>1998 Activity</u>
Global Smaller	\$700,000	32 roundtrips, 1 one way exchange

\*Approximate dollar amount due to the same assets exchanged in different funds.

Report by: [REDACTED]

EXHIBIT 9

Exhibit 4 <sup>FD</sup>  
1/5/06  
VG

SELIGMAN DATA CORP.

# SDC

**TO:** [REDACTED]  
**FROM:** [REDACTED]  
**RE:** Market Timers  
**DATE:** July 24, 1998

[REDACTED]

Attached is a Frequent Trading Activity Report we provided [REDACTED] on a monthly basis. With [REDACTED] departure, I would like to know your interest in receiving this report and if there is additional information you would like to see.

The initial intent of this report was to identify those financial advisors who were utilizing the Seligman Funds to "time" the market. Generally, these individuals use our exchange feature well in excess of our policy of 2 round trips per quarter. Their constant movement from fund to fund results in operational difficulties since the exchanges are received at the end of the day and in some cases may contain instructions for multiple funds in hundreds of accounts.

[REDACTED] has been very active working with the external sales force to stop market timing in our Global Funds. In the report you will notice many of the advisors have been restricted from trading our Global Funds as a result of [REDACTED] work.

I have also attached a memo summarizing the heavy trading activity in the Communications and Information Fund on July 21. Many of the advisors who moved out of C. & I. on that day appear on the Frequent Trading Report.

Please call me if you have any questions.

mkt-timr.doc

EXHIBIT 10

Memorandum

To: [REDACTED]

From: [REDACTED]

Date: Aug 10, 1998

Subject: Market Timers



As per your request, I recommend that the strategy which we have used on the global/international funds over the past few months be consistently applied to all mutual funds which are being actively traded by brokers. The prospectus language for every Seligman fund clearly discourages active trading and allows us to take the necessary steps to prevent excessive trading.

The strategy has been fairly simple and straightforward: once a specific broker has been identified on the monthly SDC market timer report, Product Management notifies the Seligman salesperson responsible for that relationship that a meaningful "cease and desist" message must be communicated as soon as possible. In the past, we have tried to establish a mutually agreed-upon, reasonable window of time for the salesperson to discuss this matter with the broker, perhaps one or two weeks under certain circumstances .

The salesperson then gets in contact with the broker client, explains the situation with the statistics from the report, and lets the broker know that we will be accomodating about the broker's need to communicate this message along to their investor client(s). The salesperson again establishes a reasonable window of time (1-2 weeks max) in which the broker can consider the matter and discuss alternatives with the investor client (if necessary), and then respond back to the Seligman salesperson to inform us of their decision. We make it clear that we will place a stop on trading the account if we can not resolve the matter in the agreed upon time frame, permitting only exchanges from the fund into the money market fund.

Typically, within two weeks the "cease and desist" request has been mutually agreed to, and we all move forward on to more productive uses of our time. We then ask SDC to place a "freeze" on trading for the funds which have been actively traded, permitting only exchanges into the money market fund.

In almost every instance in the past, the salesperson has successfully conveyed the message. However, in a few cases, the salesperson has requested that I participate in the discussion so as to help deflect some of the heat or to help minimize the impact on longer-term relationship factors. For some brokers, it seems that the message is more "credible" when being delivered from the firm's headquarters.

There is no doubt that 25 or more YTD round trips can reasonably be considered excessive from our firm's perspective; taking a proactive approach to discourage and prevent this practice can only be to the benefit of the existing shareholders of any Seligman fund.

Please let me know if you have any questions on the above.