

EXHIBIT 31

From: [REDACTED]
Sent: Thursday, March 08, 2001 11:26 AM
To: [REDACTED]
Subject: FW: Summary of Timer Activity

fyi

-----Original Message-----

From: [REDACTED] [SMTP: [REDACTED]@SeligmanData.com]
Sent: Thursday, March 08, 2001 11:01 AM
To: [REDACTED]
Subject: FW: Summary of Timer Activity

[REDACTED] As a follow up to my earlier e-mails, please rest assured that I am AGGRESSIVELY discussing the required organizational response to market timers with SAI. Our response to timer's has not been swift enough and our approach has been much too passive. The e-mail below which I sent to [REDACTED] and [REDACTED] clearly highlights the abuses that are taking place in our global and international funds. I also covered this with [REDACTED] in an attempt to get some teeth behind our constant "bark with little bite policy" to date. [REDACTED] is in total agreement and has let me know that he backs the more aggressive policy. I will make sure that you receive the weekly timing activity summary and I welcome your repeated commentary to support our ban on timer's since it is quite disruptive to both portfolio management and transfer agent operations. [REDACTED]

-----Original Message-----

From: [REDACTED]
Sent: Thursday, March 08, 2001 10:33 AM
To: [REDACTED]
Subject: Summary of Timer Activity

[REDACTED] Based on the weekly report we forwarded to you yesterday, I thought it would be better served to consolidate the timing activity highlighting the advisor's with the most substantive timing activity. By clicking on the icon below, you will see that we still have many timers who although clearly abusing the exchange privilege, have not been frozen. A sampling from this report which only includes our GLOBAL and INTERNATIONAL Funds indicates the following:

Representative: [REDACTED] @ Security Brokerage had \$3.1 million in timing activity last week and has done \$10.4 million in timing YTD
 Representative [REDACTED] @ Prudential Securities was involved in \$ 13.8 million in timing last week and \$ 74 million YTD
 Representative [REDACTED] @ Paine Webber was involved in \$ 2.2 million in timing activity last week and \$ 11.2 million YTD
 Representative [REDACTED] @ Salomon Smith Barney had \$ 2.7 million in timing activity last week and \$ 14 .3 million YTD
 Representative [REDACTED] @ Paine Webber had \$ 2.8 million in timing last week and \$ 23 million YTD
 Representative [REDACTED] @ Prudential had \$ 1.1 million in timing last week and \$ 10.1 million YTD
 Representatives [REDACTED] at Paine Webber had \$ 6.8 million in timing last week and \$ 71.7 million YTD
 BEAR STEARNS (rep names not available due to internal policy) in spite of a significant number of frozen accounts placed on advisor's last week, still had \$ 5.6 million in timing activity last week and \$ 20.1 million in timing YTD solely from those branch offices noted in this week's report.
 Representative [REDACTED] @ Paine Webber had \$ 2.8 million in timing last week and \$ 22.7 million YTD
 Representatives [REDACTED] @ First Albany had \$ 1.9 million in timing last week and \$ 14.3 million YTD
 Representative [REDACTED] @ Salomom Smith Barney had \$ 3.1 million in timing last week and \$ 17.3 million YTD

It is important to note that these totals only represent the abusive timers in our Global and International Portfolios during the past week. Although these funds have been the most frequented sector by market timers, we still had \$ 56.7 million of timing activity in our domestic equity funds last week as compared to \$ 75 million in our global and international funds.

We are now faced with a more hostile environment where fund groups are beginning to exert significant pressure on timers in an effort to curtail their activity. Many groups are doing this by implementing fees while others are simply forcing liquidations of timing related assets. Faced with a declining market in which to place their assets, advisor's that

engage in timing activities are searching feverishly to find fund groups that are lax in enforcing their policies or simply take a more passive posture. Once they find such a haven, they continue to time their assets without interruption. My fear is that this practice will only become more widespread in our complex if we do not immediately curtail the timing activity, especially in our global and international funds. Please give [REDACTED] or [REDACTED] a call and let them know how you wish to proceed with the timers identified in the attachment. Thanks for your assistance in this matter. [REDACTED]



030201 Excessive
exchanges in ...

[REDACTED]

J. & W. Seligman & Co. Incorporated
100 Park Avenue
New York, NY 10017-5591

EXHIBIT 32

Ret. 124-12.
EXHIBIT
7/2/06 A.S.

A Joint Regular Meeting of the Boards of Directors/Trustees (collectively, the "Directors") of SELIGMAN CAPITAL FUND, INC. ("SCF"), SELIGMAN CASH MANAGEMENT FUND, INC. ("SCMF"), SELIGMAN COMMON STOCK FUND, INC. ("SCSF"), SELIGMAN COMMUNICATIONS AND INFORMATION FUND, INC. ("SCIF"), SELIGMAN FRONTIER FUND, INC. ("SFF"), SELIGMAN GLOBAL FUND SERIES, INC. ("SGFS"), SELIGMAN GROWTH FUND, INC. ("SGF"), SELIGMAN INCOME FUND, INC. ("SIF"), SELIGMAN NEW TECHNOLOGIES FUND, INC. ("SNTF"), SELIGMAN NEW TECHNOLOGIES FUND II, INC. ("SNTF II") SELIGMAN TIME HORIZON HARVESTER SERIES, INC. ("STHHS"), SELIGMAN VALUE FUND SERIES, INC. ("SVFS"), each a Maryland corporation, and SELIGMAN HIGH INCOME FUND SERIES ("SHIFS"), a Massachusetts business trust (SCF, SCMF, SCSF, SCIF, SFF, SGFS, SGF, SIF, SNTF, SNTF II, STHHS, SVFS and SHIFS, each individually may be referred to as a "Fund", and together with one or more of the others, the "Funds"), was held at the offices of the Funds at 100 Park Avenue, in the City of New York, New York on Thursday, March 15, 2001 at or about 8:45 o'clock in the forenoon.

The following Directors were present:

[REDACTED]

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XV. Consider Agenda for May Meetings.

The Directors reviewed and agreed upon the proposed agenda for the Joint Regular Meetings of the Directors to be held in May, 2001.

XVI. Other Matters.

Mr. Zino explained that there had been a substantial increase in market timers buying and selling shares of Seligman Emerging Markets Fund, Seligman Global Growth Fund, Seligman Global Smaller Companies Fund and Seligman International Growth Fund, all series of SGFS (the "International Funds"). He explained that market timers buy and sell shares of funds with high frequency and, as a result are a detriment to long-term shareholders because they force portfolio managers to hold extra cash to meet redemptions and cause an increase in operating costs. SDC and the Manager have had limited success in preventing the activities of market timers. In an effort to further curb the activities of market timers, the Manager is proposing adding a 1% redemption fee on all redemptions from the International Funds that occur within 30 days of a purchase. The redemption fees collected would be paid to the respective fund. Mr. Zino explained that the proposal was subject to a number of operational issues which needed to be addressed. However, the Manager was seeking approval to add the redemption fee, subject to satisfactory resolution of the various operational issues. A general discussion took place.

After discussion, on motion duly made and seconded, it was unanimously

RESOLVED, that the proposal to add a 1% redemption fee on the total market value of shares redeemed within 30 days of purchase (other than reinvested dividends and gains) for each of SGFS's Seligman Emerging Markets Fund, Seligman Global Growth Fund, Seligman Global Smaller Companies Fund and Seligman International Growth Fund, as described to this meeting be, and hereby is, approved, subject to the Manager's and SDC's satisfactory resolution of the operational issues necessary to implement such redemption fee; and

FURTHER RESOLVED, ~~that the proposal to add a 1% redemption fee on the total market value of shares redeemed within 30 days of purchase (other than reinvested dividends and gains) for each of SGFS's Seligman Emerging Markets Fund, Seligman Global Growth Fund, Seligman Global Smaller Companies Fund and Seligman International Growth Fund, as described to this meeting be, and hereby is, approved, subject to the Manager's and SDC's satisfactory resolution of the operational issues necessary to implement such redemption fee; and~~

EXHIBIT 33

A Joint Meeting of the Board Operations Committees of SELIGMAN CAPITAL FUND, INC., SELIGMAN CASH MANAGEMENT FUND, INC., SELIGMAN COMMON STOCK FUND, INC., SELIGMAN COMMUNICATIONS AND INFORMATION FUND, INC., SELIGMAN FRONTIER FUND, INC., SELIGMAN GLOBAL FUND SERIES, INC., SELIGMAN GROWTH FUND, INC., SELIGMAN HIGH INCOME FUND SERIES, SELIGMAN INCOME AND GROWTH FUND, INC., SELIGMAN INVESTMENT GRADE FIXED INCOME FUND, INC., SELIGMAN LASALLE REAL ESTATE FUND SERIES, INC., SELIGMAN MUNICIPAL FUND SERIES, INC., SELIGMAN MUNICIPAL SERIES TRUST, SELIGMAN NEW JERSEY MUNICIPAL FUND, INC., SELIGMAN NEW TECHNOLOGIES FUND, INC. ("SNTF"), SELIGMAN NEW TECHNOLOGIES FUND II, INC., SELIGMAN PENNSYLVANIA MUNICIPAL FUND SERIES, SELIGMAN PORTFOLIOS, INC., SELIGMAN QUALITY MUNICIPAL FUND, INC., SELIGMAN SELECT MUNICIPAL FUND, INC., SELIGMAN TIME HORIZON/HARVESTER SERIES, INC., SELIGMAN VALUE FUND SERIES, INC. and TRI-CONTINENTAL CORPORATION (each of the foregoing entities individually may be referred to as a "Fund," and together with one or more of the others, the "Funds") was held at the offices of the Funds, at 100 Park Avenue in the City of New York on Wednesday, September 18, 2003 at or about 9:00 o'clock in the forenoon.

Pat's Ex 131
7/18/06
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CAL2-4-REG-UNVESTCD-COMMITTEE-OPERATIONS-September 18, 2003

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J. & W. Seligman & Co. Incorporated
Item No. 4.1

In response to a question, Mr. Zino noted that market timing is not illegal and that a significant part of the industry has been of the view that market timing is not problematic if the activity does not disrupt the portfolio management of a fund.

In response to a question, Mr. Zino discussed fair valuation of non-U.S. securities noting that the Manager was taking a close look at the issue including potentially recommending the use of a third-party service which provides valuation services. He also stated that the Manager, like numerous others in the industry, has received an information request from the SEC relating to valuation of global and international funds, a copy of which has been sent to the Directors and their counsel. He explained that the Manager was in the process of preparing a response letter which would be forwarded to the Directors and their counsel.

Mr. Zino then discussed the process for monitoring market timing in the Funds and the procedures in place for both Seligman Data Corp. ("SDC") and Seligman Advisors, Inc. ("SAI") to deter market timing. He also reviewed the language contained in the Funds' prospectuses relating to excessive trading. He described the types of measures certain brokers have employed in order to attempt to evade detection and, in response, the growing sophistication of the SDC's and SAI's monitoring processes over time. He then reviewed the statistics of the number of accounts frozen for market timing and the number of trades either blocked or broken during the past 3 years. Mr. Zino noted that over the past 3 years, a limited number of exceptions had been made for certain brokers in connection with trading activities, although only one such arrangement had been identified as being in existence at the time of the response to the SEC. He stated that arrangement began in October 2002, lasted approximately a year and involved trading in four Funds under certain controlled circumstances. However, the Manager had already been in the process of reducing the amounts traded and the frequency of the trading under the arrangement (prior to the announcement of the Spitzer investigation) with a view toward ending it entirely by year-end. He reviewed the specifics of the arrangement and responded to various questions and noted that the Manager was conducting a detailed analysis of the arrangement (including an analysis of the effects of the trading

activity) as well as any other potential arrangements and would report back to the Board at the November meeting. Mr. Zino also stated in response to a question, that there were no formal contractual documents relating to the arrangement, but only a series of e-mails, which were being reviewed.

Mr. Zino also noted that the Manager received an information request from [REDACTED] relating to timing activities of a specific brokerage firm and that the Manager was in the process of preparing a response.

Mr. Zino also noted that the Manager, as well as the industry as a whole, was re-evaluating all aspects of market timing in light of the current developments. He also noted that the Manager was reviewing whether additional formal procedures or compliance reviews were necessary.

Mr. Zino also noted that the potential damage, if any, to a fund resulting from market timing was difficult to measure and that significant controversy exists on the issue, noting one academic paper on the subject (which he indicated he would send to the Directors).

A lengthy and detailed discussion followed during which Mr. Zino responded to a number of questions from the Directors and [REDACTED]

The Committees also discussed the effect of recent personnel changes within the Manager's investment area and received a report from [REDACTED] regarding proposed rules relating to proxy statement disclosure requirements and communications between security holders and boards of directors.

The Committees then held an executive session without Messrs. [REDACTED] and Zino present.

There being no further business to come before the meeting, it was, on motion duly made and seconded, adjourned.

Respectfully submitted,

[REDACTED]
Secretary of the Meeting

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Confidential Treatment
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J. & W. Seligman & Co. Incorporated
Item No. 4.7

EXHIBIT 34

[REDACTED]

From: [REDACTED] [REDACTED]@JWSeligman.com]
Sent: Wednesday, August 27, 2003 2:10 PM
To: [REDACTED]
Cc: [REDACTED], Hodgdon, Stephen; [REDACTED]
Subject: CHICAGO ESCROW

[REDACTED]

As a follow-up to our conversation -- the new agreement with Chicago Escrow, based on my discussions with all the appropriate parties here at the firm, is as follows:

The investment in Class D shares will be redeemed on October 1, 2003 when the CDSC runs its course. This amounts to approximately \$20MM. The money in A shares, which is approximately \$28MM, will remain indefinitely and is to be invested exclusively in C&I (or cash; no other funds have been approved). The account is expected to maintain its average 1.5 RTs per month and no more than 3 RTs in any given month.

If the account exceeds these limitations, or should [REDACTED] seek to limit the account in any way, the client will be asked to adhere to a revised set of parameters, or asked to divest.

The account will be reviewed at year end (January 2004) when the CDSC on the A shares concludes.

In the intervening 5 weeks leading up to October 1, the client has been restricted to \$5MM in Global Tech -- all other monies in A and D shares (totaling \$43MM) will be traded primarily in C&I.

All existing monies are coded for CDSC application and the back-end fee should be charged upon redemption (until such time that the CDSC no longer applies, obviously).

Thanks.

EXHIBIT 35

A Joint Meeting of the Board Operations Committees of
SELIGMAN CAPITAL FUND, INC., SELIGMAN CASH
MANAGEMENT FUND, INC., SELIGMAN COMMON
STOCK FUND, INC., SELIGMAN COMMUNICATIONS
AND INFORMATION FUND, INC. ("SCIF"),
SELIGMAN FRONTIER FUND, INC., SELIGMAN
GLOBAL FUND SERIES, INC. ("SGFS"), SELIGMAN
GROWTH FUND, INC., SELIGMAN HIGH INCOME
FUND SERIES ("SHIFS"), SELIGMAN INCOME AND
GROWTH FUND, INC., SELIGMAN INVESTMENT
GRADE FIXED INCOME FUND, INC., SELIGMAN
LASALLE REAL ESTATE FUND SERIES, INC.
("SLREF"), SELIGMAN MUNICIPAL FUND SERIES,
INC., SELIGMAN MUNICIPAL SERIES TRUST,
SELIGMAN NEW JERSEY MUNICIPAL FUND, INC.,
SELIGMAN NEW TECHNOLOGIES FUND, INC.
("SNTF"), SELIGMAN NEW TECHNOLOGIES FUND
II, INC. ("SNTF II"), SELIGMAN PENNSYLVANIA
MUNICIPAL FUND SERIES, SELIGMAN
PORTFOLIOS, INC. ("SPI"), SELIGMAN QUALITY
MUNICIPAL FUND, INC., SELIGMAN TIME
HORIZON/HARVESTER SERIES, INC., SELIGMAN
SELECT MUNICIPAL FUND, INC., SELIGMAN VALUE

~~CONFIDENTIAL~~

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7/18/06

FUND SERIES, INC. and TRI-CONTINENTAL CORPORATION (each of the foregoing entities individually may be referred to as a "Fund" and together with one or more of the others, the "Funds"), was held at the offices of the Funds, at 100 Park Avenue in the City of New York on Wednesday, November 19, 2003 at or about 3:00 o'clock in the afternoon.

The following Members were present:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] (via teleconference),
[REDACTED]
[REDACTED]
[REDACTED]

constituting the entire Board Operations Committee of each Fund.

[REDACTED] presided as [REDACTED] and [REDACTED] of each Fund and [REDACTED] and [REDACTED], [REDACTED] of J. & W. Seligman & Co. Incorporated (the "Manager"), acted as [REDACTED] of the meeting and recorded the minutes.

At [REDACTED] invitation, Brian T. Zino, President of the Manager and a Director of each Fund; and [REDACTED] and [REDACTED] also were present.

I. Consider Minutes of Previous Meeting.

[REDACTED] submitted the minutes of the Joint Meeting of the Board Operations Committees held on September 18, 2003, which had been previously circulated.

After discussion, on motion made and seconded, it was unanimously

RESOLVED, [REDACTED]

[REDACTED]

V. Report on Regulatory Matters.

Mr. Zino updated the Committees on recent issues relating to market timing and late trading. He stated that the Manager has responded to three SEC information requests. He stated that in response to its initial submission to the SEC summarized at the September meeting, the Manager received and responded to a follow-up request seeking [REDACTED]

[REDACTED]

[REDACTED]

Mr. Zino noted that the Manager was in the process of preparing an additional response as a follow-up to the SEC's initial inquiry relating to other potential trading arrangements. He stated, that, based on the Manager's internal investigation, it appears that three other relationships had existed, the last of which ended in September 2002.

[REDACTED]

Mr. Zino explained that the Manager's Law and Regulation Department handled the internal investigation with respect to market timing, late trading and disclosure of portfolio holdings. With respect to timing, the process for determining the existence of arrangements was based on information from Seligman Data Corp. ("SDC") and Seligman Advisors, Inc. ("SAI"). Both entities closely monitored and recorded any trading activity beyond the guidelines set out in the Funds' prospectuses, above a certain dollar threshold which had been reduced over time. This data was analyzed together with emails of employees thought most likely to be involved in any market timing activity, as well as information collected from interviews with various employees. Based on the process, it was determined that three other arrangements existed. As a result of the investigation, the Manager was highly confident that all potential timing arrangements had been identified.

Mr. Zino explained that with respect to late trading, there were only three ways in which trading

occurs. The vast majority of trading occurs through the National Securities Clearing Corp. ("NSCC"). Additionally, a small amount comes from intermediaries through SAI's order desk, or directly in the mail. With respect to intermediaries submitting orders through NSCC, he explained that it would be virtually impossible for a fund company to determine whether a broker was improperly submitting an order it had received after 4 p.m. He also noted that after interviews with employees from the Order Desk and SDC, no evidence of improper late trading was uncovered. He stated that the Manager was confident that it had not knowingly facilitated improper late trading.

With respect to disclosure of portfolio holdings, Mr. Zino noted that all such information is distributed only for legitimate business purposes and that most information is distributed on a delayed basis. He noted that [REDACTED] which has financed certain commission payments to brokers for sale of Class B shares of certain Funds, receives portfolio information in order to assist in hedging its financial risks of the lending arrangements. He noted that additional information would be provided by [REDACTED] as to the use of, and safeguards for, such information. [REDACTED]

Mr. Zino noted that in addition to the process outlined above, [REDACTED] sent an email to all employees instructing them to disclose any information they have regarding market timing, late trading or improper disclosure of portfolio holdings.

Mr. Zino then discussed employee trading, stating that no instances of improper trading were found among employees. [REDACTED]

EXHIBIT 36

Per T 32-10
11/31/06

A Special Joint Meeting of the Subcommittees of the Board Operations Committees of SELIGMAN CAPITAL FUND, INC., SELIGMAN CASH MANAGEMENT FUND, INC. ("SCMF"), SELIGMAN COMMON STOCK FUND, INC., SELIGMAN COMMUNICATIONS AND INFORMATION FUND, INC. ("SCIF"), SELIGMAN FRONTIER FUND, INC., SELIGMAN GLOBAL FUND SERIES, INC. ("SGFS"), SELIGMAN GROWTH FUND, INC., SELIGMAN HIGH INCOME FUND SERIES ("SHIFS"), SELIGMAN INCOME AND GROWTH FUND, INC., SELIGMAN INVESTMENT GRADE FIXED INCOME FUND, INC., SELIGMAN LASALLE REAL ESTATE FUND SERIES, INC., SELIGMAN MUNICIPAL FUND SERIES, INC., SELIGMAN MUNICIPAL SERIES TRUST, SELIGMAN NEW JERSEY MUNICIPAL FUND, INC., SELIGMAN NEW TECHNOLOGIES FUND, INC., SELIGMAN NEW TECHNOLOGIES FUND II, INC., SELIGMAN PENNSYLVANIA MUNICIPAL FUND SERIES, SELIGMAN PORTFOLIOS, INC., SELIGMAN QUALITY MUNICIPAL FUND, INC., SELIGMAN TIME HORIZON/HARVESTER SERIES, INC., SELIGMAN SELECT MUNICIPAL FUND, INC., SELIGMAN VALUE FUND SERIES, INC. and TRI-CONTINENTAL

CORPORATION (each of the foregoing entities individually may be referred to as a "Fund" and together with one or more of the others, the "Funds"), was held at the offices of the Funds, at 100 Park Avenue in the City of New York on Wednesday, December 9, 2003 at or about 3:00 o'clock in the afternoon.

The following Members were present:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

constituting the entire Subcommittee of each Fund.

[REDACTED] presided as [REDACTED] and [REDACTED] of each Fund and [REDACTED] and a [REDACTED] of J. & W. Seligman & Co. Incorporated [REDACTED] acted as [REDACTED] of the meeting and recorded the minutes.

At [REDACTED] invitation, Brian T. Zino, President of the Manager and a Director of each Fund, and [REDACTED] (via teleconference), [REDACTED] and [REDACTED] [REDACTED], also were present.

I. Introduction.

[REDACTED] called the meeting to order. He noted that although he had asked [REDACTED] [REDACTED] serve on the Subcommittee in order to focus on various regulatory matters, each of the other members of the Board Operations Committees had also been invited to attend the meetings. Further, each of the other members of the Board Operations Committees had received copies of the material prepared and previously distributed for the meeting.

[REDACTED] then asked Mr. Zino to review the material prepared for the meeting.

II The Manager's Report

Mr. Zino noted that the Manager had prepared various material for discussion, including data relating to the four trading arrangements identified and discussed at the November 19, 2003 Board Operations Committees meetings. Additionally, the Manager had prepared data on the trading activity of other timers to illustrate the difficulty of monitoring and controlling timers.

Mr. Zino also noted that today's presentation would primarily focus on market timing and related issues [REDACTED]

[REDACTED]

Mr. Zino stated that two employees, one from Seligman Data Corp. ("SDC") and one from Seligman Advisors, Inc. ("SAI") had prepared a presentation to provide the Subcommittees background relating to the policing of timers in the Seligman Funds. He explained that these individuals, [REDACTED] Vice President of SAI, and [REDACTED] Vice President of SDC, had primary responsibility for the policing of timers. He noted that the materials included a summary of the development of the policing process, related statistical data and a copy of the current "Market Timer Notification and Freeze Procedures." [REDACTED] then joined the meeting at the invitation of the Subcommittees.

After Mr. Zino reviewed each of their backgrounds, [REDACTED] reviewed their respective activities and the activities of SDC and SAI to address market timing, including the evolution of the policing process from pre-2001 through the present. A detailed discussion took place

during which [REDACTED] answered numerous questions including those relating to lack of industry and regulatory guidance in the area, prospectus disclosure, potential arbitrage strategies of timers, strategies used by timers to subvert the Manager's policing efforts, potential use of redemption fees and the support of the Manager's senior management in discouraging timing activity in the Funds.

A discussion relating to the apparent increased activity of timers in 2001 also took place, focusing on the various potential reasons for the apparent increase in activity, including greater monitoring activity. [REDACTED] noted that the evolution of the policy was driven in large part by their developing experience in the area and the increasing aggressiveness of certain parties attempting to time the Funds.

Mr. Zino commented on the Manager's view of market timing. He reiterated that market timing was actively discouraged and that systems and procedures had been established to monitor, control and eliminate timing activity above a certain threshold. He noted, however, that it was management's belief, based on the language of the Funds' prospectus, that market timing was not problematic if the activity did not disrupt the portfolio management of the particular fund. Additionally, the Manager did not believe that the prospectus language required the elimination of 100% of market timing. Additionally, Mr. Zino noted that smaller shareholders could trade in excess of the prospectus guidelines because the monitoring threshold was set at \$100,000 (down from previous thresholds of \$250,000 and \$175,000), although steps were taken to discourage timing below the monitoring thresholds in certain circumstances of known timers.

Mr. Zino also stated that it was expected that the SEC would adopt rules focused on disclosure of market timing policies and redemption fees to assist the industry in dealing with these issues in the near future.

Mr. Zino then stated that, although the Manager does not believe that it had done anything

illegal, in three situations better judgment could have been used. He stated that, as explained at the November 19th meeting, these include permitting "Chicago Escrow" to trade amounts in SOFS's Global Smaller Companies Fund and Global Growth Fund, which, as a percentage of those funds' total assets, seemed excessive. The third situation also discussed at the November 19th meeting was agreeing to permit ██████████ to make up to three exchanges per quarter in SOFS's Global Technology Fund, wherein ██████████ also agreed to invest separately in the U.S. Government Securities Series. Mr. Zino noted that the Manager expected to make equitable restitution with respect to these three situations.

██████████ suggested that the Subcommittee should determine if it is satisfied with the scope of the Manager's review, and if the Funds were harmed, seek for the Manager to make restitution. A discussion then took place focusing on whether the Manager had committed a violation of law, and if it is determined not, whether any restitution was required.

Mr. Zino then proceeded to review each of the arrangements as previously disclosed at the November 19th meeting. He first noted that the material contained the net asset levels and investment return for each fund involved.

Mr. Zino reviewed the material prepared relating to Chicago Escrow. He noted that the material included a summary of the arrangement which had been previously distributed to the Directors. In response to a question, he noted that the market timing policy for the Funds allowed for exceptions, and that an exception for the Chicago Escrow arrangement was granted by a former employee of SAL. Mr. Zino reviewed the performance of each of the funds involved in the arrangement. He reviewed the gains from Chicago Escrow's trading compared to "buy and hold" strategies and the detailed trading activity. A detailed discussion regarding the information in the materials presented to the Subcommittees took place during which Mr. Zino stated that based on the data, it appeared to the Manager that Chicago Escrow's trading activity was not the result of an

arbitrage strategy that afforded an unfair trading advantage. Rather, it appeared that the trading activity was tied to speculation in the technology market. It was also noted that if the money had been invested and kept in the funds, the gains to Chicago Escrow in the global Funds would have been significantly greater. However, it was noted that the capital had been at the risk of market fluctuations for fewer days compared to a buy and hold approach.

Mr. Zino then reviewed transaction-by-transaction detail of trading in SCIF focusing on each investment by Chicago Escrow and the effect on SCIF's daily cash balance. He noted that ██████████ SCIF's portfolio manager, had agreed that the amount invested would not impair the portfolio management activities of SCIF, and that as ██████████ was reducing SCIF's cash position in the SCIF, Chicago Escrow's trading capacity was reduced. He noted that Chicago Escrow's gain from investing in SCIF totaled approximately \$8.9 million.

Mr. Zino reviewed the transaction-by-transaction detail of trading in Global Growth Fund. He again noted that the amount invested, as a percentage of the fund's assets, seemed excessive and should not have been permitted. The amount was later reduced in response to concerns raised by ██████████ ██████████, the fund's portfolio manager. He added that Chicago Escrow's gain from investing in Global Growth totaled approximately \$73,000. He also noted that ██████████ did not invest any amount attributable to Chicago Escrow.

A discussion took place as to whether the gain made by Chicago Escrow was an appropriate measure of harm in this situation because the cash was never invested in portfolio securities. As a result, the gain of Chicago Escrow diluted the other shareholders by the same dollar amount. ██████████ ██████████ commented on the numerous factors that could be included in calculating harm to a fund from market timing, if any, but noted that in the situation where the cash is clearly not invested and net asset value increases before the timer redeems, it could be reasonably argued that the returns of long-

term shareholders have been diluted.

Mr. Zino reviewed the transaction-by-transaction details of trading in Global Smaller Companies Fund. He again noted that the amount invested, as a percentage of the fund's assets, seemed excessive and should not have been permitted. He added that Chicago Escrow's gain from investing in Global Smaller Companies Fund totaled approximately \$304,000. He also noted that similar to the Global Growth Fund situation, the portfolio manager did not invest any amount attributable to Chicago Escrow. Mr. Zino noted that, on certain days the cash balance of the fund was negative due to other redemptions and that such overdrafts were covered by loans from the custodian in the ordinary course. He explained that on days when the fund's net asset value increased, the effects of the overdrafts was to increase the fund's total return.

Mr. Zino reviewed the transaction-by-transaction detail of trading in the Global Technology Fund. He noted, that similar to the SCIF situation, the amount invested was not deemed to impair the portfolio management activities of Global Technology. He also noted that Chicago Escrow's gain from investing in the Global Technology Fund totaled approximately \$1 million.

Mr. Zino noted the Manager had been in the process of reducing the amount traded and the frequency of the trading under the arrangement with a view toward ending it entirely by year-end. He also acknowledged that in hindsight, the Manager could be criticized for not ending the arrangement in a more timely fashion.

Mr. Zino then reviewed the activity of three other trading arrangements. He explained that SDC maintains an exception/watch list of timers from which the analysis for determining the existence of arrangements started. The conclusions relating to the existence of these arrangements and their respective terms were based on a review of primarily e-mails, exception reports and employee interviews. A summary of each arrangement was also included in the material.

Mr. Zino then reviewed the circumstances of the arrangements with a broker named [REDACTED] which went from April 2001 through September 2002 and involved about \$2 million invested in SHIFS's High Yield Bond Series. He noted that [REDACTED] actually lost money during this period. He also reviewed other trading activity of [REDACTED] that was not part of the arrangement noting, at one point, that [REDACTED] had been blocked from trading in the SGFS's International Fund.

Mr. Zino then reviewed the circumstances of the arrangement with a broker named [REDACTED] which went from December 2001 through April 2002 and involved about \$2.5 million in various Funds. He noted that [REDACTED] made a small amount from his trading and had ceased his activity and closed his accounts at the direction of SAI.

Mr. Zino then reviewed the circumstances of the arrangement with a broker named [REDACTED] who requested permission to invest \$10 million in the Global Technology Fund and to make one up to three round trips per quarter. Additionally, [REDACTED] agreed to invest another \$10 million in the U.S. Government Securities Series. [REDACTED] exceeded the agreed-upon number of exchanges within a few weeks and was prohibited from further trading activity. Mr. Zino stated that [REDACTED] made approximately \$460,000 in the Global Technology Fund and lost about \$471,000 in the U.S. Government Securities Series. Mr. Zino stated that the Manager recognizes the potential conflict in this situation and expects to make restitution. He also reviewed other trading activity of [REDACTED] that was not part of the arrangement, most which took place prior to the time of the arrangement.

In response to a question, Mr. Zino stated that it was not SAI's policy to pay salespeople on timing money identified as such. Mr. Zino speculated that the incentive to permit these types of arrangements was to promote and build relationships.

Mr. Zino then reviewed trading activities of a number of other timers with which there were no arrangements. He explained that the information had been presented to illustrate the efforts that were

used by timers to evade detection, including the use of multiple accounts either to mask the frequency of trading or the amounts being traded.

In response to a question, Mr. Zino stated that there was no evidence to conclude that shareholders of the Cash Management Fund or the U.S. Government Securities Series were harmed as a result of trading activity relating to the arrangements.

Mr. Zino then discussed the amount and type of restitution that may be appropriate under the circumstances. He noted that the Manager believes that market timing is not illegal. Further, based on the language of the Funds' prospectus, it was the Manager's view that market timing was not problematic if the activity did not disrupt the portfolio management of the particular fund. Mr. Zino also noted that market timing was not part of senior management's business strategy. However, he acknowledged that the appearance of a conflict was possible in the [REDACTED] arrangement and in the Chicago Escrow arrangement with respect to the Global Growth Fund and Global Smaller Companies Fund due to the amounts that had been permitted to be invested in those two Funds.

Mr. Zino stated that the Manager, however, although wanting to make appropriate restitution in the three situations he had discussed, was concerned about the potential negative impact of the public disclosures that would accompany a payment directly to the funds. He explained the potential for negative press, disruption from potential lawsuits, loss of reputation and harm to all of the Funds from shareholder redemptions could be highly disproportionate and unwarranted based on the facts. As a result, the Funds could actually be put in a worse position as a result of the Manager paying restitution directly to the Funds.

Mr. Zino suggested that Directors may wish to consider an alternative approach in the form of an agreed upon amount that the Manager would undertake to use to enhance its compliance systems, including the addition of personnel and employee education programs. He stressed that this would

clearly be in addition to any compliance enhancements required under new rules or regulations issued by regulators, but would have the effect of benefiting the Funds and shareholder over the longer term. Mr. Zino also noted that he had previously discussed this proposal with [REDACTED]

A discussion then took place on the advantages and disadvantages to a resolution to the matter of the type proposed by the Manager, the advantages including a quick resolution, the need not to hire an expert or debate theories of calculating damages in a situation where there was no acknowledged methodology for such calculations, and the disadvantages including potential criticism from regulators to both the Manager and to the Directors.

[REDACTED] discussed the types of settlement discussions with regulators that were widely reported to be taking place in the industry and that appeared likely to be agreed to during the next few weeks or months. He expected that these would include provisions for an expert to calculate harm to the funds and restitution paid directly to the funds or their respective shareholders.

A detailed discussion took place regarding whether the Funds had valid claims against the Manager and whether the Manager had violated any law, breached its fiduciary duties, or violated the Funds' prospectus language by entering into the arrangements. [REDACTED] noted that law is not at all clear at this time and that theories of liabilities were being developed based on the specific facts of each case. At the Subcommittee's request, [REDACTED] agreed to provide the independent Directors with a memorandum discussing potential theories of liability for entering into market timing arrangements.

Mr. Zino stated that the Manager did not expect any conclusions about the proposal at this time, but that the results of the Manager's investigation and the possible resolution, were put forth for the Directors to consider and discuss with [REDACTED]. [REDACTED] stated that the Subcommittees should hear a full report on the directed brokerage issue prior to reaching any definitive conclusions on the market timing issues.

Mr. Zino then noted that the material also contained a recent press release from [REDACTED] responding to regulatory actions for market timing activities at its [REDACTED] fund family, a memorandum detailing the Manager's practices involving disclosure of its portfolio holdings and various internal memoranda distributed to employees and a form of letter sent to financial intermediaries that distribute the Funds. A discussion then took place regarding these materials.

[REDACTED]

III. Executive Session.

At this point, Messrs. [REDACTED] and Zino withdrew from the meeting and the Sub-committees held an executive session.

After an extensive discussion, Messrs. [REDACTED] and Zino were invited to rejoin the meeting.

IV. Conclusion

[REDACTED] stated that the Subcommittees had concluded that they were satisfied with the scope, thoroughness, completeness and oversight of the Manager's investigation and saw no need to initiate their own investigation.

██████████ then stated the Subcommittees were not prepared to respond to the Manager's report on market timing at this time and expected to continue deliberations at a future meeting, most likely commencing early on January 14, 2004, although he noted that a telephone meeting or meetings could occur prior to that time, if appropriate. He further noted that the Subcommittees may seek the assistance of an economic consultant to help them assess the impact of the timing arrangements on the affected Funds.

██████████ then raised several comments on the Manager's Market Timer Notification and Freeze Procedures that had been discussed during the Executive Session, which ██████████ agreed to address in a revised version of the policy. Specifically, he agreed to revise the policy to contemplate that exceptions to the policy would be reported to the Boards of the relevant Fund(s) after being approved internally. Mr. Zino confirmed that it was not contemplated that such exceptions would be made going forward but that the Manager believed it would be prudent to permit exceptions so that unforeseen circumstances may be accommodated.

There being no further business to come before the meeting, it was, on motion duly made and seconded, adjourned.

Respectfully submitted,

Secretary of the Meeting

EXHIBIT 37

Timer Policing at Seligman Evolution & Process

[REDACTED]

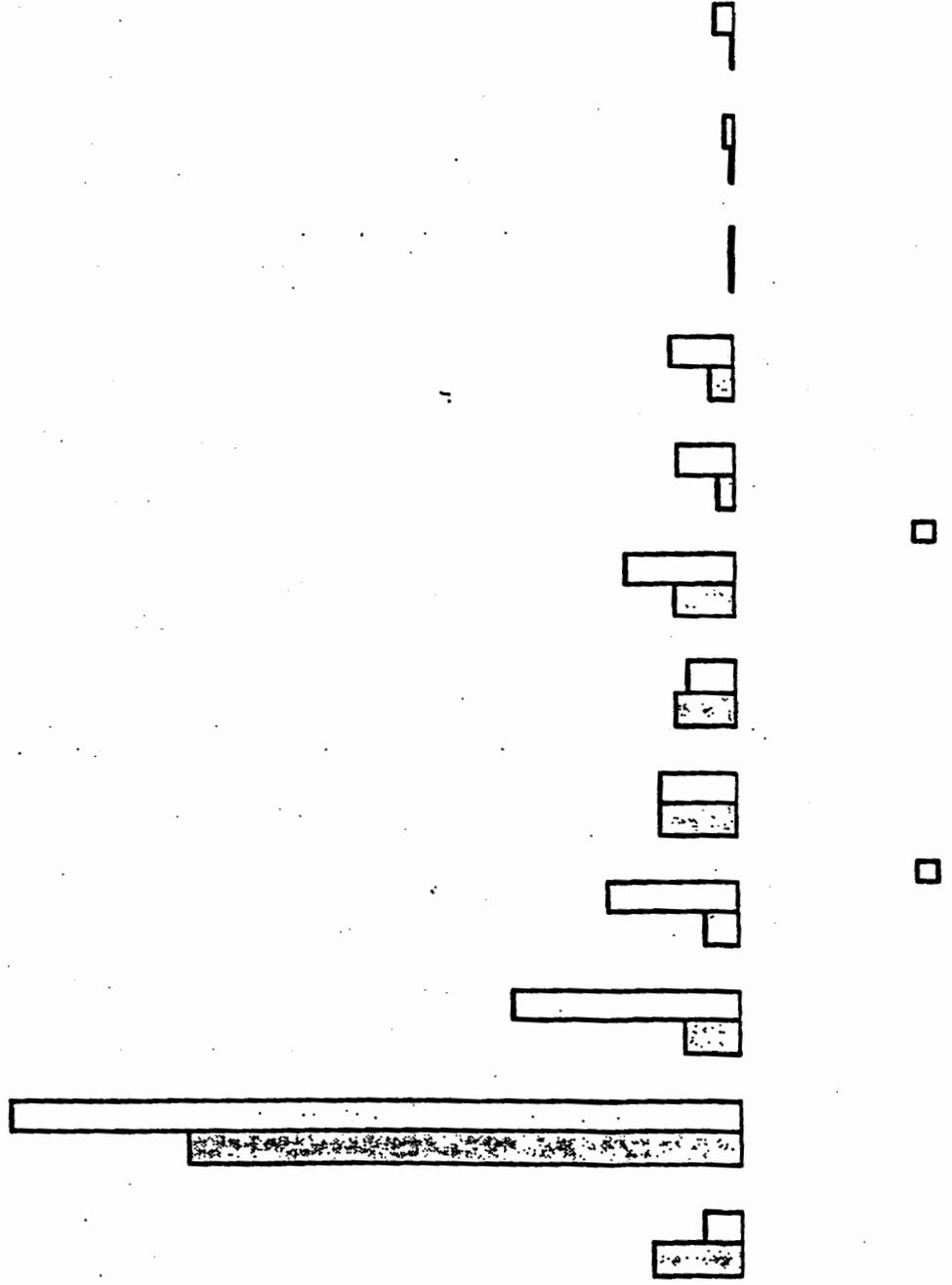
VP, Seligman Advisors, Inc.

[REDACTED]

VP, Seligman Data Corp.

PE T 33-10
1/31/06

Timing Exchange Values 2000 - 2003 excluding Chicago Escrow



Two Fronts

- **Monitoring of exchange activity in shareholder accounts**
- **Monitoring of purchases and redemptions by Financial Advisors (“FAs”) for round trip activity**

Possible Actions Taken

- **SDC**
 - Freezing of shareholder accounts
- **SAI**
 - Canceling purchases of fund shares

Process Before 2001

- **SDC monitored exchange activity in accounts over \$250,000**
 - SDC distributed “frequent trading report”
- **SAI investigated holding period of redemptions over \$1 million**
- **Names of Financial Advisors passed on to SAI regional wholesaler**
- **Infrequent violations**
 - Accounts typically frozen if activity continued

Evolution: 2001

- **Extraordinary increase in trading activity**
- **Frequent round trip purchase and redemption activity in accounts well under \$1 million**
- **Emerging patterns:**
 - Abundance of \$175,000 to \$200,000 trades
 - Global/international funds
 - Recurring firms and/or branches
 - Trades occurring in tandem on certain days

2001 (cont'd)

- **SDC lowered monitoring threshold to \$175,000**
 - Frequent trading report ballooned
- **SDC sent warning letters directly to FA after two round trips**
- **SDC froze accounts after third round trip**

2001 (cont'd)

- **SAI began examining every purchase over \$100,000**
 - Past purchase and redemption activity
 - Compared against SDC list
- **SAI began instructing order desk to cancel purchases from known timer FAs**
- **SAI developed own list of FAs and Rep IDs associated with timing activity**

2001 (cont'd)

- **Trade cancellations provided temporary relief to SDC effort as timers took their business elsewhere**
- **Timing problem continued as FAs found other ways into Seligman**
 - **Systems limitations**
 - **Lack of cooperation by certain dealers**
 - **Excuses/misrepresentations by FAs**

Evolution: 2002

- **SalesPage system rolled out in SAI and SDC**
 - Enhanced monitoring capabilities
 - Sharing of notes electronically
- **Volume of daily purchase cancellations escalated**
 - More FAs getting in on game
 - Continued efforts by repeat offenders
 - Clearing firms becoming a problem

2002 (Cont'd)

Timers increasingly sophisticated attempts to “Fly Under the Radar”

- **Purchasing bond fund first, then moving money to equity fund**
- **Placing multiple smaller trades**
- **Using new or multiple Rep IDs**
- **Using clearing firms**
- **Changing FA on existing accounts, or moving to new accounts**
- **Using multiple funds; one round trip per fund**

2003 Process

SAI

- **Examine purchases over \$50,000**
 - known timers, warning flags
- **Examine activity from FAs on “Timer Watch” report**
- **Examine large redemptions**
- **Research suspect trades through SDC, Order Desk, Internal Sales**
- **Notify Order Desk of cancellations**
- **Share info with SDC -- via SalesPage**

2003 Process

SDC

- **Monitoring daily exchange transactions of \$100,000 or more (\$175,000 prior to Oct '03)**
- **Warning letters sent after 2 round trips; accounts frozen upon third**
- **Repeat offenders: no warnings sent**
- **Share info with SAI -- via SalesPage**
- **Weekly timing report**

2004 and Beyond

- **Omnibus accounts**
- **Networking Level 3**
 - Identifying underlying shareholder
- **Staying ahead of new techniques**

EXHIBIT 38

Seligman's Timer Policing Process
[REDACTED], Seligman Advisors, Inc.
September 11, 2003

PET 34-10
11/31/06

Timer policing has been an evolving process at Seligman. Five years ago, we were limited in our ability to access and tie together the data necessary to effectively monitor and act on suspected timing situations. Over the last five years, this ability gradually improved as our tools and inter-departmental communications improved. Over the last three years, we became increasingly aggressive in our handling of the timer problem as our understanding of its drivers and their tactics grew and as we refined our methods. The implementation of SalesPage at the beginning of 2002 enabled us to see the timing picture more clearly and to fine-tune our process to the one described at the end of this document.

Chronology

Seligman Data Corp (SDC) has monitored exchange activity by fund accounts and distributed a "frequent trading report" around Seligman since at least 1998. Accounts that surpassed 2 round trips per 90-day period were first warned, then frozen if the activity persisted. SDC did not capture any trading activity that was executed through repeated purchases and redemptions, as typically new accounts were opened each time and SDC did not have a way to tie these accounts together or back to a common financial advisor.

Seligman Advisors (SAI) utilized the Saratoga System for tracking of its business. Saratoga showed only purchases and redemptions, organized by financial advisor. No exchanges were tracked and no account-level information was provided on trades.

During 1999 and 2000, the timer policing process was fairly basic:

- SDC monitored exchange activity in fund accounts over \$250,000
- SDC notified SAI of any accounts exceeding the two-round-trip-per-quarter limitation
- SAI notified the appropriate wholesaler via phone call of any such accounts in their territories, so the wholesaler could contact the FA
- SDC generally placed stops on any such accounts so that once they exchanged into the cash fund so they were prevented from moving back to an equity fund for 90 days
- Concurrently, SAI monitored purchase and redemption activity of large accounts (generally over \$1 million). Accounts that redeemed after a short holding period were investigated, usually via wholesaler. No action was typically taken unless this activity was repeated. In that case, the FA involved was asked to take his business elsewhere.
- SAI's main concerns in monitoring trading activity were to ensure wholesalers were not paid more than once on the same business and that activity in multi-

million dollar accounts did not hinder the portfolio manager's ability to manage the fund. Hence, any accommodations made to FAs who asked for permission to trade more frequently than twice per quarter were only made after consulting the appropriate portfolio manager. There were not more than a handful of these. The FA in these cases typically described his client as a "high-net worth" or "institutional" client.

Around the beginning of 2001, the number of accounts on SDC's frequent trading list began to grow. We also began noticing more frequent purchase and redemption activity from large accounts and that there was a significant volume of this type of activity in accounts well under \$1 million in size. We also began noticing patterns in the activity, such as:

- An irrational skewing towards trades of between \$175,000 and \$200,000
- A concentration of these trades in the global/international funds
- Concentrations of such trades among certain dealers and/or branches, especially among clearing firms
- A tendency for such trades to occur in tandem on certain days

SDC lowered their monitoring threshold to \$175,000 in response to these trends, which caused their list to balloon. Wholesaler handling of the problem accounts became unrealistic. SDC began mailing warning letters directly to the FAs after two round trips and freezing accounts after three. Copies of letters were sent to the internal and external wholesalers. The more stops SDC put on accounts, the more new accounts were opened. As this was occurring, several dealers (typically clearing firms) began refusing outright to tell us the FA behind the trade. We began to police the opening of new accounts more aggressively.

We started looking daily at every purchase of over \$100,000 and making a judgment call each morning as to whether or not to accept each of the prior day's trades before it settled. In March 2001, I began authorizing the SAI Order Desk, via email, to cancel trades I felt were originated by timers. I also began developing a list of FAs (and Rep IDs when the name was not known) that were associated with accounts on SDC's frequent trading list. I supplemented the list over time with FAs who we began to catch doing multiple purchases and redemptions with what looked to be the same money.

Daily trade cancellations were sporadic through 2001. Although SDC's list was somewhat more manageable as we cut off some of the flow of timer business, there was still business getting through. Over time we caught on to many of the ways FAs were disguising their trades and getting into the fund family by "flying under the radar." It also appeared to us that certain dealers, especially the clearing firms, were assisting in this endeavor. Some of their methods involved:

- Purchasing one of our bond funds, then exchanging later into a global fund
- Placing multiple smaller trades, perhaps assuming we only noticed trades over a certain size

- Placing trades under a new Rep ID with no prior history with us; in some cases dealers would then refuse to divulge the name of the FA associated with the ID.

As we became more confident in our judgment of the legitimacy of daily trades, I was able to take a more aggressive stance in canceling those that were suspect.

In January of 2002, we rolled out SalesPage in both SAI and SDC, replacing the Saratoga System used by SAI. Unlike Saratoga, SalesPage tracked all transactions, including exchanges. All activity could be aggregated by FA or by branch, making it a lot easier to see trading patterns at either level. In addition, since both parts of the company were now using a common system, they began using its Notes functionality to store and share observations about the trading activities of certain FAs. Finally, I created a label in SalesPage, called "Timer Watch List", that I attached to known and suspected timers I wanted to keep an eye on. Every morning, I received a report of any trades made the prior day by FAs tagged with this label. These three capabilities greatly enhanced our ability to identify timing activity.

Despite our efforts, the number of suspect trades on a daily basis continued to grow. It looked like more and more timers were getting in on the act, and we were getting what looked to be the same money over and over again, no matter how many times we had already canceled it. Gradually we came to understand that there was some kind of trading model being followed by more and more professional traders. It wasn't until mid-2002 sometime that I came to understand that these professional timers were hedge funds arbitraging the stale prices of the global and international funds.

Up until mid-to-late 2002 our two primary reasons for combating timing were that we didn't want to pay wholesalers for non-sticky assets and that we were concerned about the negative impact a lot of inflows and outflows would have on the portfolio managers' abilities to manage the funds. On this basis, we were sometimes willing to give the benefit of doubt to an FA with suspicious money when he convinced us that it would "live within the prospectus". These monies almost never lived up to that promise and we usually ended up freezing the accounts.

As I began to understand the time zone arbitrage model, I began to view that type of timing as being clearly detrimental to the long-term shareholder – and much more so than we as a firm had ever realized. Consequently, by late 2002, I was taking a much harder stance on any monies I thought were going to wind up timing the global funds. Giving anyone the benefit of doubt became rare. In late 2002, I also discussed the unscrupulous nature of global fund timing with SAI senior management in order to get their buy-in on a more rigid anti-timer policy. By the beginning of 2003, we were all on the same page in this regard.

Current Process

Following is a description of our current timer policing process. This process has been fully in place since the beginning of 2003, although as noted earlier in this document, many of its elements have been in place for several years.

1. Each morning, run report of all prior day purchases and redemptions from SalesPage
2. Examine all trades over \$50,000 for any one or more of the following red flags:
 - a. Purchase into one of the five global/international funds by a known timer – see attached list of known and suspected timers.
 - b. Purchase of approx \$200K into global/international funds
 - c. Purchase into fixed income fund by known timer
 - d. Purchase of approx \$200K into fixed income fund
 - e. Above purchase by FA with no name shown, just Rep ID
 - f. Purchase of any of above funds thru clearing firm (especially Bear Stearns, Investex, National Securities, BNY Clearing, Fiserv, Sterne Agee, JB Oxford)
 - g. Large purchase of a state muni fund in other state
 - h. Purchases into above funds by any branch known for a prevalence of timers (e.g. Pru/Boston, Pru/Garden City)
 - i. Purchase into above funds by dealer with name connoting short term clients (e.g. Mutuals.com, Electronic Trading)
 - j. Multiple simultaneous purchases under \$100K for same fund
3. Prepare list of trades from known timers for cancellation
 - a. Capture confirmation number, rep name or id, dealer name and city, fund, and dollar amount
4. Research questionable trades as appropriate
 - a. Look at FA's trade history on Sales Page for instances of prior timing; make judgment call, most likely this trade should be added to cancellation list
 - b. Look at notes field on SalesPage for prior conversations/actions taken, such as notes from SDC pertaining to prior warnings or freezes. Make judgment call on trade.
 - c. If no name, ask Order Desk to call dealer or Internal Wholesaler to call branch for FA name; if on timer list, add trade to cancellation list. If dealer will not divulge name, add trade to cancellation list
 - d. Ask Internal/External for perspective or advance knowledge of trade; or ask Internal to call FA for explanation of intentions; if FA describes client as "Institutional Client" make judgment call on trade
 - e. Look up account registration thru Order Desk [REDACTED] or SDC [REDACTED], if possible. Professional timers are often registered with name of fund (such as

Pentagon Partners LLC). LLC designation also points to probable timer such as hedge fund. Add this type of trade to cancellation list

5. Tag all suspicious FAs with "Timer Watch List" label in SalesPage
6. Email list of trades to cancel to SAI Order Desk, with copies to wholesaler, internal wholesaler, portfolio manager, portfolio administrator, portfolio accounting, sales management, and SDC timer team.
7. Run "Timer Watch Report" consisting of all purchases, redemptions, and exchanges made during the prior day by any FAs tagged with "Timer Watch List" label.
8. Lookup on SalesPage any FA's on this list with exchange activity; if looks timing-related
 - a. notify SDC of activity (in case it is not yet on their radar).
 - b. make appropriate note in SalesPage
 - c. add FA to Timer list if not already on it

EXHIBIT 39

Seligman

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Message to Shareholders

January 7, 2004

As the investment manager of the Seligman Funds, we have been conducting an extensive internal review in response to recent developments regarding disruptive or illegal trading practices within the mutual fund industry. We are pleased to report that we have found no improprieties or regulatory violations relating to employee trading, late trading, or disclosure of portfolio holdings. Our review noted one market timing relationship that was in the process of being closed down by us before the first proceedings relating to trading practices within the mutual fund industry were publicly announced last September. Additionally, we identified three other market timing arrangements, all of which had been terminated, the most recent in September 2002. These few arrangements do not reflect a general policy to promote or encourage market timing in the Seligman Funds.

The results of this internal review covering the past three years have been presented to the Independent Directors of the Boards of the Seligman Funds. Although the review by the Independent Directors is not final, we are confident that any financial impact of these arrangements on the Seligman Funds has been minimal. If any Seligman Fund has incurred financial harm as a result of violations of law or internal policies by us or our employees, we will make restitution to that Fund. In addition, other measures have been and will be taken as appropriate, including disciplining employees.

Although there is nothing inherently illegal about market timing, we regret that these instances occurred and are committed to ensuring that similar instances do not occur. In this regard, we have strengthened existing controls to discourage and help prevent market timing. Seligman will not tolerate any activity that it believes is inconsistent with its longstanding policy to put the interests of Seligman Fund shareholders first.

For more information about these matters and our internal review, please read our Frequently Asked Questions below.

Brian T. Zino
President
J. & W. Seligman & Co. Incorporated

Frequently Asked Questions

For purposes of this material, J. & W. Seligman & Co. Incorporated and its affiliates and related parties are referred to as "Seligman" or the "Manager," and the Seligman registered investment companies are referred to as the "Seligman Funds."

Q1. Have any Seligman employees engaged in improper trading?

A. The Manager has conducted an internal review of employee trading in shares of the Seligman Funds and has not found improper trading activity by Seligman employees.

Q2. Does Seligman have any policies relating to employee investment in the Seligman Funds?

A. A majority of Seligman employees invest in the Seligman Funds, either directly or through the Seligman 401(k) plans. Trading by employees is monitored by the Manager's legal department and is subject to the Manager's Code of Ethics. In addition, unlike many 401(k) plans that permit daily trading, the Seligman 401(k) plans permit only weekly trading activity. All Seligman employees have been informed that excessive trading with respect to the Seligman Funds, or trading in the Seligman Funds based upon inside information, is inappropriate and may, in certain cases, be illegal. Employees who engage in inappropriate

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trading will be subject to disciplinary action, which may include termination of employment.

Q3. Has Seligman engaged in improper disclosure of a Fund's portfolio holdings?

A. The Manager has found no improprieties relating to the disclosure of a Fund's portfolio holdings. The Manager has not disclosed and does not disclose a Fund's portfolio holdings prior to public dissemination, unless such disclosure is made for legitimate business purposes and only if the Manager believes that such disclosure will not be detrimental to a Fund's interest.

Q4. What is Seligman's policy with regard to receipt of late trades (i.e., after 4:00 pm Eastern Time)?

A. Seligman does not accept late trades directly from Fund shareholders or prospective shareholders. The large majority of mutual fund trades submitted to Seligman are from broker-dealer firms and other financial intermediaries on behalf of their clients. These intermediaries have an obligation to ensure that trades submitted to the Seligman Funds after 4:00 pm on a trading day for that day's net asset value were, in fact, received by those entities by 4:00 pm on that day. This applies to all trades from intermediaries, including those that are transmitted electronically to Seligman after the market closes. Although the Seligman Funds and the Manager, like other mutual fund groups, cannot determine the time at which orders received through financial intermediaries were placed, the Manager expects mutual fund trades submitted to Seligman by financial intermediaries to comply with all applicable laws and regulations. Seligman has contacted every financial intermediary that offers, sells, or purchases shares of the Seligman Funds in order to remind all of them of their responsibility to have reasonable policies and procedures to ensure that they comply with their legal and contractual obligations.

The Manager has found no instances of Fund shareholders engaging in late trading directly with the Seligman Funds. Seligman will cooperate with and support any governmental or regulatory investigation to identify and hold accountable any financial intermediary that has submitted orders in violation of applicable laws or regulations.

Q5. What is Seligman's policy regarding market timing?

A. Seligman has policies and procedures in place to restrict trades that, in its judgment, could prove disruptive in the management of portfolios of the Seligman Funds. As part of the Manager's procedures, the Manager frequently rejects trades, issues warning letters, and prohibits accounts from making further exchanges. Since September 2003, when the first proceedings relating to trading practices within the mutual fund industry were publicly announced, Seligman has taken additional steps to strengthen its policies and procedures.

Q6. Is Seligman conducting an internal inquiry into whether it or any of its personnel participated in or facilitated violations of law or internal policies relating to market timing or late trading?

A. Like other investment advisers, the Manager has conducted, and is continuing to conduct, an internal review with respect to market timing and late trading. In addition, the Manager is conducting a broader review of its compliance policies and procedures beyond those relating to market timing and late trading.

The Manager has found no instances of Fund shareholders engaging in late trading directly with the Seligman Funds.

Last September, the Manager had one market timing arrangement which was in the process of being closed down by the Manager before the first proceedings relating to trading practices within the mutual fund industry were publicly announced later that month. Based on a review of the Manager's records for the past three years, the Manager identified three other market timing arrangements. All three had already been terminated prior to the end of September 2002.

The results of the Manager's internal review have been presented to the Independent Directors of the Boards of the Seligman Funds. Although a review by the Independent Directors is not final, the Manager is confident that any financial impact of these arrangements on the Seligman Funds was minimal. If any Seligman Fund has incurred financial harm as a result of violations of law or internal policies by the Manager or its employees, the Manager will make restitution to that Fund. In addition, other measures have been and will be taken as appropriate, including disciplining employees.

Q7. Does Seligman disclose its internal market timing procedures?

A. Seligman's market timing control procedures are proprietary. The Manager believes that disclosing these procedures will reduce their effectiveness.

Q8. What new practices are being considered to prevent market timing abuses?

A. Like other members of the mutual fund industry, Seligman is considering numerous options, including the implementation of redemption fees. Seligman also has contacted every financial intermediary that offers, sells, or purchases shares of the Seligman Funds in order to inform all of them that they must have reasonable policies and procedures to ensure that they do not knowingly permit or facilitate excessive trading of the Seligman Funds or knowingly use or facilitate any methods designed to disguise such trading in the Seligman Funds.

Q9. Is Seligman involved with any SEC investigation relating to market timing or late trading?

A. Like numerous other firms, the Manager has responded to information requests from the SEC relating to its review of market timing and late trading. As always, the Manager will continue to cooperate fully with the SEC.

Q10. Does Seligman have any market timing arrangements at the current time?

A. Seligman has none. In addition, Seligman has strengthened existing controls to discourage and help prevent market timing.

Q11. Have any other matters come to Seligman's attention in the course of its internal inquiry?

A. The Manager has also reviewed its practice of placing some of the Funds' orders to buy and sell portfolio securities with brokerage firms in recognition of their sales of the Seligman Funds. This is a common practice and permissible when done properly. Although the Manager believes that the execution of all such orders was consistent with its best execution obligations, the Manager may have violated applicable requirements for certain of such orders as a result of compensation arrangements the Manager had with certain brokerage firms. The Manager is confident that the Seligman Funds did not pay higher brokerage commissions in connection with those orders than the Seligman Funds would otherwise have paid for comparable transactions.

The Manager is conducting an investigation of these matters and is making interim reports to the Independent Directors of the Boards of the Seligman Funds, who will determine any appropriate measures to be taken. In October 2003, the Manager ceased placing Fund orders to buy and sell portfolio securities with brokerage firms in recognition of their Fund sales.

Q12. Have any employees been disciplined in connection with the Manager's overall internal review?

A. One employee has left Seligman. Other disciplinary measures will be taken as appropriate.

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A Fund's prospectus contains information about fees and expenses.

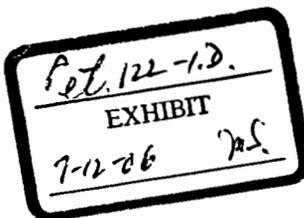
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EXHIBIT 40

Seligman

Investing Since 1864



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Message to Shareholders

January 31, 2005

In response to recent developments regarding disruptive and illegal trading practices in the mutual fund industry, the following discussion has been prepared to provide shareholders with important information.

For purposes of this material, J. & W. Seligman & Co. Incorporated and its affiliates and related parties are referred to as "Seligman" or the "Manager," and the Seligman registered investment companies are referred to as the "Seligman Funds."

Q1. Have any Seligman employees engaged in improper trading?

A. The Manager has conducted an internal review of employee trading in shares of the Seligman Funds and has not found improper trading activity by Seligman employees.

Q2. Does Seligman have any policies relating to employee investment in the Seligman Funds?

A. A majority of Seligman employees invest in the Seligman Funds, either directly or through the Seligman 401(k) plans. Trading by employees is monitored by the Manager's legal department and is subject to the Manager's Code of Ethics. In addition, unlike many 401(k) plans that permit daily trading, the Seligman 401(k) plans permit only weekly trading activity. All Seligman employees have been informed that excessive trading with respect to the Seligman Funds, or trading in the Seligman Funds based upon inside information, is inappropriate and may, in certain cases, be illegal. Employees who engage in inappropriate trading will be subject to disciplinary action, which may include termination of employment.

Q3. Has Seligman engaged in improper disclosure of a Fund's portfolio holdings?

A. The Manager has found no improprieties relating to the disclosure of a Fund's portfolio holdings. The Manager has not disclosed and does not disclose a Fund's portfolio holdings prior to public dissemination, unless such disclosure is made for legitimate business purposes and only if the Manager believes that such disclosure will not be detrimental to a Fund's interest.

Q4. What is Seligman's policy with regard to receipt of late trades (i.e., after 4:00 pm Eastern Time)?

A. Seligman does not accept late trades directly from Fund shareholders or prospective shareholders. The large majority of mutual fund trades submitted to Seligman are from broker-dealer firms and other financial intermediaries on behalf of their clients. These intermediaries have an obligation to ensure that trades submitted to the Seligman Funds after 4:00 pm on a trading day for that day's net asset value were, in fact, received by those entities by 4:00 pm on that day. This applies to all trades from intermediaries, including those that are transmitted electronically to Seligman after the market closes. Although the Seligman Funds and the Manager, like other mutual fund groups, cannot determine the time at which orders received through financial intermediaries were placed, the Manager expects mutual fund trades submitted to Seligman by financial intermediaries to comply with all applicable laws and regulations. Seligman has contacted every financial intermediary that offers, sells, or purchases shares of the Seligman Funds in order to remind all of them of their responsibility to have reasonable policies and procedures to ensure that they comply with their legal and contractual obligations. The Manager has found no instances of Fund shareholders engaging in late trading directly with the Seligman Funds. Seligman will cooperate with and support any governmental or regulatory investigation to identify and hold accountable any financial intermediary that has submitted orders in violation of applicable laws or regulations.

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Q5. What is Seligman's policy regarding market timing?

A. Seligman has policies and procedures in place to restrict trades that, in its judgment, could prove disruptive in the management of portfolios of the Seligman Funds. As part of the Manager's procedures, the Manager frequently rejects trades, issues warning letters, and prohibits accounts from making further exchanges. Since September 2003, when the first proceedings relating to trading practices within the mutual fund industry were publicly announced, Seligman has taken additional steps to strengthen its policies and procedures.

Q6. Has Seligman conducted an internal review relating to market timing?

A. The Manager has completed its internal review. As of September 2003, the Manager had one arrangement that permitted frequent trading. This arrangement was in the process of being closed down by the Manager before the first proceedings relating to trading practices within the mutual fund industry were publicly announced. Based on a review of the Manager's records for 2001 through 2003, the Manager identified three other arrangements that had permitted frequent trading in the Seligman Funds. All three had already been terminated prior to the end of September 2002. The results of the Manager's internal review were presented to the Independent Directors of the Seligman Funds. In order to resolve matters with the Independent Directors relating to the four arrangements, the Manager has paid approximately \$75,000 to Seligman Global Growth Fund, \$300,000 to Seligman Global Smaller Companies Fund and \$1.6 million to Seligman Global Technology Fund in recognition that these global investment funds presented some potential for time zone arbitrage. The amounts paid by the Manager represented less than 1/2 of 1% of each such Fund's net asset value as of the date such payments were made. In addition, with respect to Seligman Communications and Information Fund and notwithstanding that time zone arbitrage opportunities did not exist, the Manager, at the request of the Independent Directors, has agreed to waive a portion of its management fee, amounting to five basis points (0.05%) per annum, for that Fund for a period of two years commencing on June 1, 2004.

Q7. Does Seligman disclose its internal market timing control procedures?

A. Seligman's market timing control procedures are proprietary. The Manager believes that disclosing these procedures will reduce their effectiveness.

Q8. What new practices are being considered to prevent market timing abuses?

A. Like other members of the mutual fund industry, Seligman is considering numerous options, including the implementation of redemption fees. Seligman also has contacted every financial intermediary that offers, sells, or purchases shares of the Seligman Funds in order to inform all of them that they must have reasonable policies and procedures to ensure that they do not knowingly permit or facilitate excessive trading of the Seligman Funds or knowingly use or facilitate any methods designed to disguise such trading in the Seligman Funds.

Q9. Is Seligman involved with any federal or state investigation relating to market timing or late trading?

A. The SEC, the NASD and the Attorney General of the State of New York are reviewing the matters discussed herein. In addition, the Manager has responded to information requests from other federal and state governmental authorities relating to investigations of unaffiliated third parties. As always, the Manager will continue to cooperate fully with the SEC and other authorities.

Q10. Does Seligman have any market timing arrangements at the current time?

A. Market timing arrangements in the Seligman Funds have been prohibited. In addition, Seligman has strengthened existing controls to discourage and help prevent market timing.

Q11. Have any other matters come to Seligman's attention in the course of its internal inquiry?

A. The Manager has also reviewed its practice of placing some of the Seligman Funds' orders to buy and sell portfolio securities with brokerage firms in recognition of their sales of the Seligman Funds. At the time such orders were placed, the practice was permissible when done properly; however, the Manager believes that it may have violated applicable requirements for certain of such orders as a result of

compensation arrangements the Manager had with certain brokerage firms. The Manager discontinued this practice entirely in October 2003 and has reported these matters to the Independent Directors of the Seligman Funds. The Manager is confident that the execution of all such orders was consistent with its best execution obligations and that the Seligman Funds did not pay higher brokerage commissions in connection with those orders than they would otherwise have paid for comparable transactions. Nonetheless, in order to resolve matters with the Independent Directors, the Manager has made payments to each of twenty-four funds in an amount equal to the commissions paid by each such fund during the period from 1998 through 2003 to certain brokerage firms in recognition of sales of fund shares. Amounts paid by the Manager to the affected funds (which in the aggregate, including interest, equaled approximately \$1.7 million) represented at the time of payment less than \$0.01 per share for each such fund. The Manager has also responded fully to information requests from the SEC and the NASD relating to Seligman's use of revenue sharing and fund portfolio brokerage commissions and will continue to provide additional information if, and as, requested.

Q12. Have any employees been disciplined in connection with the Manager's overall internal review?

A. One employee has left Seligman.

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