

The Depository Trust Company

IMPORTANT

B#: 2802

DATE: December 07, 2001

TO: All Participants

CATEGORY: Dividends

FROM: Nilesh Desai, Supervisor, Dividend Department

ATTENTION: Dividend Managers, Cashiers and Reorganization Managers

SUBJECT: Optional Dividend: Seligman Select Municipal Fund, Inc.
Cusip: 816344105 R/D: 12/13/01 P/D: 12/21/01
Rate: \$0.006 (long term capital gain) In Stock or Cash
DTC Cut-off: 12/19/01

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

Participants who have positions in the above captioned security may elect to receive the dividend distribution of \$0.006 long-term capital gain in stock or cash, as follows:

Option #1 Stock You may elect to receive additional Common Shares of Seligman Select Municipal Fund, Inc. for the total of \$0.006 per share of Common Stock with fractional shares to be paid in cash.

Option #2 * Cash You may elect to receive the total of \$0.006 in cash per share of Common Stock held.

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

***Participants not responding to the above option by 12/19/01, will receive the mandatory distribution in accordance with Option #2 (Cash).**

To confirm your Record Date positions participants should access the Dividend and Allocation History (DPAL) Option, via the PTS Dividend Announcements Inquiry (DIVA) Function.

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, participants should contact Mr. John Mc Carthy or Ms. Janet Tuccillo of DTC's Stock Dividend Department at (212) 855-4521/4533.