

# TUXIS CORPORATION

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## Notice of Annual Meeting of Stockholders

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To the Stockholders:

Notice is hereby given that the 2005 Annual Meeting of Stockholders of Tuxis Corporation (the "Company") will be held at the offices of the Company at 11 Hanover Square, New York, New York on Wednesday, September 7, 2005 at 1:00 p.m., local time, for the following purpose:

1. To elect to the Board of Directors the Nominee, Frederick A. Parker, Jr. as a Class III Director.

Stockholders of record at the close of business on June 30, 2005 are entitled to receive notice of and to vote at the Annual Meeting.

By Order of the Board of Directors



Monica Peláez  
Secretary

New York, New York  
July 22, 2005

**Please Vote Immediately by Signing and Returning the Enclosed Proxy Card.**

*Delay may cause the Company to incur additional expenses to solicit votes for the meeting.*



# TUXIS CORPORATION

## PROXY STATEMENT

### Annual Meeting of Stockholders to be held September 7, 2005

This Proxy Statement, dated July 22, 2005, is furnished in connection with a solicitation of proxies by Tuxis Corporation (the "Company") to be voted at the 2005 Annual Meeting of Stockholders of the Company to be held at the principal executive offices of the Company at 11 Hanover Square, New York, New York on Wednesday, September 7, 2005 at 1:00 p.m., local time, and at any postponement or adjournment thereof ("Meeting") for the purpose set forth in the accompanying Notice of Annual Meeting of Stockholders. Only stockholders of record at the close of business on June 30, 2005 are entitled to be present and to vote on matters at the Meeting. Stockholders are entitled to one vote for each Company share held and fractional votes for each fractional Company share held. Shares represented by executed and unrevoked proxies will be voted in accordance with the instructions on the Proxy Card. A stockholder may revoke a proxy by delivering to the Company a signed proxy with a date later than the previously delivered proxy or by sending a written revocation to the Company. To be effective, such revocation must be received prior to the Meeting. In addition, any stockholder who attends the Meeting in person may vote by ballot at the Meeting, thereby canceling any proxy previously given. As of the Record Date, the Company had 983,776 shares of common stock issued and outstanding. Stockholders of the Company will vote as a single class.

It is estimated that proxy materials will be mailed to stockholders as of the Record Date on or about July 29, 2005. The Company's principal executive offices are located at 11 Hanover Square, New York, New York 10005. **Copies of the Company's most recent Annual and Semi-Annual Reports are available without charge upon written request to the Company at 11 Hanover Square, New York, New York 10005, or by calling toll-free 1-800-937-5449.**

#### **PROPOSAL 1: To elect to the Board of Directors the Nominee, Frederick A. Parker, Jr. as a Class III Director**

The Company's Board of Directors is divided into five classes with the term of office of one class expiring each year. At the Board of Directors meeting held on June 7, 2005, the Board approved the nomination of Frederick A. Parker, Jr. to serve as Class III Director for a five year term and until his successor is duly elected and qualifies. Unless otherwise noted, the address of record for the nominee and other Directors is 11 Hanover Square, New York, New York 10005. The following table sets forth certain information concerning the nominee for Class III Director of the Company.

<b>Name, Principal Occupation, Business Experience for Past Five Years, Address, and Age</b>	<b>Director Since</b>	<b>Other Public Company Directorships Held by Director</b>
<u>Non-interested Nominee:</u>		
<b>Class III:</b>		
FREDERICK A. PARKER, JR.— He is retired President and Chief Executive Officer of American Pure Water Corporation, a manufacturer of water purifying equipment. He was born on November 14, 1926.	2002	None

The persons named in the accompanying form of proxy intend to vote each such proxy FOR the election of the nominee listed above, unless a stockholder specifically indicates on a proxy the desire to withhold authority to vote for the nominee. It is not contemplated that the nominee will be unable to serve as a Director for any reason, but if that should occur prior to the Meeting, the proxy holders reserve the right to substitute another person of their choice as nominee. The nominee listed above has consented to being named in this Proxy Statement and has agreed to serve as a Director if elected.

#### **Vote Required**

Under Article VIII of the Company's charter except as otherwise provided in the charter and notwithstanding any other provision of the Maryland General Corporation Law ("MGCL") to the contrary, any action submitted to a vote by stockholders requires the affirmative vote of at least eighty percent (80%) of the outstanding shares of all classes of voting stock, voting together, in person or by proxy at a meeting at which a quorum is present, unless such action is approved by the vote of a majority of the Board of Directors, in which case such action requires (A) if applicable, the proportion of votes required by the Investment Company Act of 1940, as amended (the "1940 Act"), or (B) the lesser of (1) a majority of all the votes entitled to be cast on the matter with the shares of all classes of voting stock voting together, or (2) if such action may be taken or authorized by a lesser proportion of votes under applicable law, such lesser proportion. Inasmuch as the election of the nominee was approved by the vote of a majority of the Board of Directors, a plurality of all the votes cast at the Meeting at which a quorum is present is sufficient to elect the nominee.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS YOU VOTE *FOR* THE NOMINEE.**

The following table sets forth certain information regarding the other Directors currently serving on the Board.

<b>Name, Principal Occupation, Business Experience for Past Five Years, Address, and Age</b>	<b>Director Since</b>	<b>Other Public Company Directorships Held by Director</b>
<u>Non-interested Directors:</u>		
<b>Class I:</b>		
RUSSELL E. BURKE III – He is President of Russell E. Burke III, Inc. Fine Art. He was born on August 23, 1946.	1997	None
<b>Class II:</b>		
PETER M. KUHLMANN – He is a partner of Acquest International L.P., a merger and acquisition consulting firm. From 1986 to 1990 he was Managing Director of Translink International, Inc., a Swiss investment banking firm. He was born on December 29, 1952.	2004	None
<u>Interested Directors:</u>		
<b>Class IV:</b>		
MARK C. WINMILL* – Since 2002, he has served as President and Chief Executive Officer of the Company. From 2000 to 2002, he was principally engaged as Chairman of the Thanksgiving Foundation. He was Chief Operating Officer of Bull & Bear Securities, Inc. (“BBSI”), a nationwide discount broker, from 1999 to 2000. He was also president and director of BBSI from 1987 until 1999 when Winmill & Co. Incorporated (“WCI”) sold BBSI to The Royal Bank of Canada. He was co-president and director of WCI and its affiliates from 1990 to 1999 and an officer and director of the investment companies managed by its subsidiaries from 1987 to 1999. He was born on November 26, 1957.	2004	None
<b>Class V:</b>		
BASSETT S. WINMILL* – He is Executive Chairman of the Board of the Company, as well as certain investment companies, and of WCI and certain of its affiliates. He is a member of the New York Society of Security Analysts, the Association for Investment Management and Research, and the International Society of Financial Analysts. He was born on February 10, 1930.	1983	Bexil Corporation and Global Income Fund, Inc.

\* Bassett S. Winmill and Mark C. Winmill are “interested persons” of the Company as defined in the 1940 Act based on their positions as officers of the Company and, in the case of Bassett S. Winmill, his indirect beneficial ownership of more than 5% of the Company’s shares of common stock. Bassett S. Winmill, the Chairman of the Board of the Company, is the father of Mark C. Winmill, the President of the Company.

The Company has an audit committee comprised of Russell E. Burke III, Peter M. Kuhlmann, and Frederick A. Parker, Jr., the function of which is routinely to review financial statements and other audit-related matters as they arise throughout the year. The Company has a Governance, Compensation and Nominating Committee the role of which is to assist the Board by 1) recommending to the Board corporate governance guidelines applicable to the Company; 2) identifying, reviewing, and evaluating individuals qualified to become members of the Board; 3) setting the compensation of the Chief Executive Officer and performing other compensation oversight; 4) reviewing and recommending the nomination of Board members; and 5) assisting the Board with other related tasks, as assigned from time to time. The Governance, Compensation and Nominating Committee consists of Russell E. Burke III, Peter M. Kuhlmann, and Frederick A. Parker, Jr. The Company has an executive committee comprised of Mark C. Winmill, the function of which is to exercise the powers of the Board of Directors between meetings of the Board to the extent permitted by law to be delegated

and not delegated by the Board to any other committee. Mr. Mark C. Winmill is an “interested person” because he is an “affiliated person” as defined in the 1940 Act.

Unless otherwise noted, the address of record for the officers is 11 Hanover Square, New York, New York 10005. The executive officers, other than those who serve as Directors, and their relevant biographical information are set forth below:

<b>Name and Age</b>	<b>Principal Occupation During Past 5 years</b>
Thomas O’Malley Born on July 22, 1958	Chief Accounting Officer, Chief Financial Officer, and Vice President since 2005. He also is Chief Accounting Officer, Chief Financial Officer, and Vice President of certain investment companies, and of WCI and its affiliates. Previously, he served as Assistant Controller of Reich & Tang Asset Management, LLC, Reich & Tang Services, Inc., and Reich & Tang Distributors, Inc. He is a certified public accountant.
Robert J. Mathers Born on May 5, 1967	Vice President of Operations since 2004. He has over 20 years of experience in commercial property management.
Monica Peláez Born on November 5, 1971	Vice President, Secretary and Chief Compliance Officer since 2000. She is also Vice President, Secretary and Chief Compliance Officer of certain investment companies, and of WCI and its affiliates. Previously, she was Special Assistant Corporation Counsel to New York City Administration for Children’s Services from 1998 to 2000. She is a member of the New York State Bar.
William G. Vohrer Born on August 17, 1950	Treasurer since 2001. He also is Treasurer of certain investment companies, and of WCI and its affiliates. From 1999 to 2001, he consulted on accounting matters.
Thomas B. Winmill Born on June 25, 1959	He is General Counsel of the Company, and Chief Executive Officer and a director of certain investment companies, and of WCI and its affiliates. He is a member of the New York State Bar and the SEC Rules Committee of the Investment Company Institute.

The following table sets forth information regarding the direct beneficial ownership of the Company’s outstanding shares as of the Record Date by (i) each Director, nominee and executive officer and (ii) all Directors and executive officers as a group.

<b>Name of Director, Nominee or Officer</b>	<b>Number of Shares</b>	<b>Percent of Outstanding Shares</b>
<u>Non-interested Nominee:</u>		
Frederick A. Parker, Jr.	500	**
<u>Non-interested Directors:</u>		
Russell E. Burke III	1,000	**
Peter M. Kuhlmann	3,400	**
<u>Interested Directors:</u>		
Bassett S. Winmill	5,247	**
Mark C. Winmill	10,514	1.1%
<u>Officers:</u>		
Robert J. Mathers	0	**
Thomas O’Malley	0	**
Monica Peláez	0	**
William G. Vohrer	0	**
Thomas B. Winmill	<u>32</u>	<u>**</u>
Total shares held by Directors and officers	<u>20,693</u>	<u>2.1%</u>

\*\* Less than 1% of the outstanding shares.

To the knowledge of the management of the Company, the following stockholders beneficially owned 5% or more of the outstanding shares of the Company as of the Record Date:

Name and Address	Common Stock	Approximate Percentage of the Company's Total Outstanding Shares
Investor Service Center, Inc. 11 Hanover Square New York, New York 10005	224,666 shares	22.8%
Winmill & Co. Incorporated* 11 Hanover Square New York, New York 10005	224,666 shares	22.8%
Bassett S. Winmill** 11 Hanover Square New York, New York 10005	229,913 shares	23.4%
Ault Glazer & Company Investment Management, LLC 100 Wilshire Blvd, Ste 1500 Santa Monica, CA 90401	144,900 shares	14.7%

\* Winmill & Co. Incorporated has indirect beneficial ownership of these shares, as a result of its status as a controlling person of Investor Service Center, Inc., the direct beneficial owner.

\*\* Bassett S. Winmill has indirect beneficial ownership of 224,666 of these shares, as a result of his status as a controlling person of Winmill & Co. Incorporated and Investor Service Center, Inc. the direct beneficial owner. Mr. Winmill disclaims beneficial ownership of the shares held by Investor Service Center, Inc.

The following table sets forth information describing the dollar range of equity securities beneficially owned by each Director and nominee of the Company as of the Record Date:

Name of Director or Nominee	Dollar Range of Equity Securities in the Company
<u>Non-interested Nominee:</u>	
Frederick A. Parker, Jr.	\$1 - \$10,000
<u>Non-interested Directors:</u>	
Russell E. Burke III	\$1 - \$10,000
Peter M. Kuhlmann	\$10,001 - \$50,000
<u>Interested Directors:</u>	
Bassett S. Winmill	\$50,001 - \$100,000
Mark C. Winmill	\$50,001 - \$100,000

The Company had four regular Board meetings, two special Board meetings, two audit committee meetings, one Governance, Compensation and Nominating Committee meeting and no executive committee meetings during the Company's most recently completed full fiscal year ended December 31, 2004. Each Director then serving in such capacity attended at least 75% of the meetings of Directors and of any Committee of which he is a member.

Directors of the Company who are employees or spouses of employees do not receive fees for attendance at Board meetings. Currently, the Company pays its non-employee directors an annual retainer of \$900, and a per Company meeting fee of \$3,525. The Company also pays such directors \$250 per special telephonic Company meeting attended and per Company committee meeting attended. Directors are reimbursed for their out-of-pocket expenses incurred in attending meetings of directors and stockholders.

The aggregate amount of compensation paid to the directors, nominee, and officers by the Company for the year ended December 31, 2004, is as follows:

Name of Director, Officer, or Nominee	Position	Aggregate Compensation from the Company
<u>Non-interested Nominee:</u>		
Frederick A. Parker, Jr.	Director (a) (b)	\$11,375

Non-interested Directors:

Russell E. Burke III	Director (a) (b)	\$7,875
Peter M. Kuhlmann	Director (a) (b)	\$11,250

Interested Directors and/or Officers:

Bassett S. Winmill	Executive Chairman and Director	\$200,000 (1)
Mark C. Winmill	President and Director (c)	\$150,000 (1)
Thomas B. Winmill	General Counsel	\$0 (1)

(a) Member of Audit Committee

(b) Member of Governance, Compensation and Nominating Committee

(c) Member of Executive Committee

(1) Compensation of Company personnel was set in the aggregate amount of \$350,000 per year effective January 1, 2004. Bonuses aggregating \$75,000 earned in 2004 and paid in 2005 are not included.

The Company had no bonus, pension, profit-sharing or retirement plan in effect during the year ended December 31, 2004. On November 10, 2003, the Company filed an application with the Securities and Exchange Commission (the "Commission") for an order granting exemptive relief to permit the adoption of an incentive compensation plan. On May 3, 2004, the Company filed an application for deregistration from the 1940 Act with the Commission. Both of the Company's applications currently are pending before the Commission.

**Audit Committee Report**

In accordance with its written charter adopted by the Board of Directors, the Audit Committee assists the Board of Directors in fulfilling its responsibility for oversight of the quality and integrity of the Company's financial reporting practices. The purposes of the Audit Committee are (i) to oversee the Company's accounting and financial reporting policies and practices, its internal controls and, as appropriate, the internal controls of certain service providers; (ii) to oversee the quality and objectivity of the Company's financial statements and the independent audit thereof; and (iii) to act as a liaison between the Company's independent auditors and the full Board of Directors. The Audit Committee met twice in fiscal 2004.

The Committee reported that at the meeting of the Audit Committee held on February 24, 2005 the Audit Committee recommended the retention of Tait, Weller & Baker ("Tait, Weller") as the independent registered public accounting firm ("IRPAF") for the Company. In connection therewith, the Audit Committee met with Mr. DeVerter of Tait, Weller to review the 2004 Audit Results, including the Report on Internal Controls. The Committee received letters from Tait, Weller with respect to Tait, Weller's professional standards and its independence. In its independence letter, Tait, Weller stated that, in addition to the Company, it serves as the IRPAF for the Midas Funds, Foxby Corp., Global Income Fund, Inc., and Winmill & Co. Incorporated and its subsidiaries; nonetheless, Tait, Weller believes it is independent of the Company within the meaning of the federal securities laws. In addition, the Audit Committee reviewed Tait, Weller's proposed fees with respect to the audit of the Company.

This report shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, and shall not otherwise be deemed filed under such Acts. The Audit Committee Members are Russell E. Burke III, Peter M. Kuhlmann, and Frederick A. Parker, Jr. The Audit Committee members are independent, as defined in section 121(A) of the listing standards of the American Stock Exchange.

Tait, Weller has been selected as IRPAF for the Company for the fiscal period commencing January 1, 2005. Tait, Weller also acts as IRPAF of WCI and certain of its affiliates. Apart from its fees received as IRPAF, neither Tait, Weller nor any of its partners has a direct, or material indirect, financial interest in the Company or its affiliates. Representatives of Tait, Weller are not expected to be present at the Meeting but have been given the opportunity to make a statement if they so desire and are expected to be available to respond to appropriate questions.

The Company's financial statements for the fiscal years ended December 31, 2003 and 2004 were audited by Tait, Weller. The following table sets forth the aggregate fees billed for professional services rendered by Tait, Weller:

<b>Fiscal Year Ended December 31</b>	<b>Audit Fees</b>	<b>Audit-Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>	<b>Aggregate Non- Audit Fees*</b>
2003	\$11,250	\$1,000	\$3,250	\$0	\$38,750
2004	\$10,500	\$1,000	\$3,500	\$0	\$41,000

\* Tait, Weller also provides audit and non-audit services to WCI and certain of its affiliates. The Audit Committee has considered the provision of these services and has determined such services to be compatible with maintaining Tait, Weller's independence.

### **Governance, Compensation and Nominating Committee**

The Board of Directors has a Governance, Compensation and Nominating Committee which consists of Russell E. Burke III, Peter M. Kuhlmann, and Frederick A. Parker, Jr., all of whom are independent directors in accordance with the American Stock Exchange director independence standards. The role of the Governance, Compensation and Nominating Committee is to assist the Board of Directors by a) recommending governance guidelines applicable to the Company; b) identifying, evaluating and recommending the nomination of Board members; c) setting the compensation of the Company's Chief Executive Officer and performing other compensation oversight; and d) assisting the Board with other related tasks, as assigned from time to time.

In selecting the nominee set forth in Proposal 1, the Governance, Compensation and Nominating Committee took into account his independence and the independence of the Company's full Board of Directors, the nominee's knowledge and experience and potential contribution to the Board of Directors and its committees, the nominee's other commitments, and the nominee's past service with the Company or with affiliates of the Company. On June 9, 2004, the Company's Governance, Compensation and Nominating Committee adopted a Charter to define and outline the responsibilities of its members. The Governance, Compensation and Nominating Committee has procedures by which stockholders may recommend director candidates which are set forth in the Charter. The Charter can be found on the Company's website at [www.tuxis.com](http://www.tuxis.com).

### **How to Communicate with the Company's Board of Directors**

Stockholders who wish to communicate with the Board of Directors or a particular director may send a letter to the Secretary of the Company at 11 Hanover Square, New York, New York 10005. The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Stockholder-Board Communication" or "Stockholder-Director Communication." All such letters must identify the author as a stockholder and clearly state whether the intended recipients are all members of the Board or just certain specified individual directors. The Secretary will make copies of all such letters and circulate them to the appropriate director or directors.

### **ADDITIONAL INFORMATION**

At the Meeting, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at the meeting is sufficient to constitute a quorum. In the event that a quorum is not present at the Meeting, or if a quorum is present but sufficient votes to approve a proposal are not received, the chairman of the meeting may adjourn the meeting to a later date and time not more than 120 days after the original record date without any other notice other than the announcement at the Meeting. A stockholder vote may be taken for one or more proposals prior to any adjournment if sufficient votes have been received for approval. If a proxy is properly executed and returned accompanied by instructions to withhold authority to vote, represents a broker "non-vote" (that is, a proxy from a broker or nominee indicating that such person has not received instructions from the beneficial owner or other person entitled to vote shares of the Company on a particular matter with respect to which the broker or nominee does not have discretionary power) or marked with an abstention (collectively, "abstentions"), the Company's shares represented thereby will be considered to be present at the Meeting for purposes of determining the existence of a quorum for the transaction of business. Under Maryland law, abstentions do not constitute a vote "for" or "against" a matter and will be disregarded in determining "votes cast" on an issue.

### **Proxy Solicitation**

In addition to the use of the mails, proxies may be solicited personally, by telephone, or by other means, and the Company may pay persons holding its shares in their names or those of their nominees for their expenses in sending soliciting materials to the beneficial owners. The Company will bear the cost of soliciting proxies. Authorizations to execute proxies may be obtained by telephonic instructions in accordance with procedures designed to authenticate the stockholder's identity. In all cases where a telephonic proxy is solicited, the stockholder will be asked to provide his or her address, social security number (in the case of an individual) or taxpayer identification number (in the case of an entity) or other identifying information and the number of shares owned and to confirm that the stockholder has received the Company's Proxy Statement and proxy card in the mail. Within 72 hours of receiving a stockholder's telephonic voting instructions and prior to the Meeting, a confirmation will be sent to the stockholder to ensure that the vote has been taken in accordance with the stockholder's instructions and to provide a telephone number to call immediately if the stockholder's instructions are not correctly reflected in the confirmation. Stockholders requiring further information with respect to telephonic voting instructions or the proxy generally should contact the Company's transfer agent at 1-800-937-5449. Any stockholder giving



a proxy may revoke it at any time before it is exercised by submitting to the Company a written notice of revocation or a subsequently executed proxy or by attending the meeting and voting in person.

## **Corporate Governance**

The Company's corporate strategy has been to follow through on shareholder approval to change the nature of the Company's business so as to cease to be an investment company and to concentrate on the acquisition and development of real estate and related services. The Board continues to believe that it is in the best interests of the Company to pursue this long-range goal of concentrating on real estate and related services. Moreover, it is in recognition of the long-term nature of the Company's strategy that the Board has believed and continues to believe in the beneficial effect of continuously availing itself of methods specifically provided by, or consistent with, Maryland and other applicable law to protect the Company and its stockholders. Accordingly, the Company currently has provisions in its Charter and Bylaws (collectively, the "Governing Documents") which could have the effect of limiting (i) the ability of other entities or persons to acquire control of the Company, (ii) the Company's freedom to engage in certain transactions, or (iii) the ability of the Company's Directors or stockholders to amend the Governing Documents or effectuate changes in the Company's management. These provisions of the Governing Documents of the Company may be regarded as "anti-takeover" provisions.

Other ways the Board has sought to preserve the Company's long term goals include electing to have the Company become subject to various provisions of the MGCL. The Board has elected on behalf of the Company to be subject to Title 3, Subtitle 7, Section 3-701, et seq., of the MGCL, known as the Maryland Control Share Acquisition Act ("Control Share Act"), which provides that control shares acquired in a control share acquisition may not be voted except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter, excluding shares owned by the acquirer, and officers and directors that are employees of the Company. Generally, control shares are voting shares of stock which would entitle the acquirer of the shares to exercise voting power within one of the following ranges of voting power: (1) one-tenth or more but less than one-third, (2) one-third or more but less than a majority, or (3) a majority or more of all voting power. In this connection, it should be noted that both management and affiliates have bought and are not discouraged from continuing to buy Company shares on the open market and that since the Company adopted a resolution to be subject to the Control Share Act pursuant to Section 3-702(c)(4), the resolution is not effective with respect to anyone who became a holder of 10% or more of the voting stock before the time the resolution was adopted, such as Investor Service Center, Inc. (an affiliate of management), although it is effective as to subsequent holders

More recently, the Board elected to have the Company be subject to certain provisions of Section 3-801, et seq., ("Corporations and Real Estate Investment Trusts – Unsolicited Takeovers") of the MGCL by resolutions of the Board providing, among other things, that: subject to § 2-402(a) of the MGCL but notwithstanding any provision in the Governing Documents, the number of directors of the Company shall be fixed only by vote of the Board; notwithstanding any provision in the Governing Documents, with respect to any vacancy that results from: (i) an increase in the size of the Board or (ii) the death, resignation, or removal of a director, each vacancy on the Board may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum; and, any director elected to fill a vacancy shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred and until a successor is elected and qualifies.

## **Discretionary Authority; Submission Deadlines for Stockholder Proposals**

Although no business may come before the Meeting other than that specified in the Notice of Annual Meeting of Stockholders, shares represented by executed and unrevoked proxies will confer discretionary authority to vote on matters which the Company did not have notice of a reasonable time prior to mailing this Proxy Statement to stockholders. The Company's Bylaws provide that in order for a stockholder to nominate a candidate for election as a Director at an annual meeting of stockholders or propose business for consideration at such meeting, written notice generally must be delivered to the Secretary of the Company, at the principal executive offices, not less than 60 days nor more than 90 days prior to the first anniversary of the mailing of the notice for the preceding year's annual meeting. Accordingly, pursuant to such Bylaws and Rule 14a-5(e)(2) of the 1934 Act, a stockholder nomination or proposal intended to be considered at the 2006 Annual Meeting must be received by the Secretary no earlier than April 30, 2006 nor later than May 30, 2006. Proposals should be mailed to the Company, to the attention of the Company's Secretary, Monica Peláez, 11 Hanover Square, New York, New York 10005. In addition, if you wish to have your proposal considered for the inclusion in the Company's 2006 Proxy Statement, the Secretary must receive it on or before March 31, 2006 pursuant to Rule 14a-8(e)(2). The submission by a stockholder of a proposal for inclusion in the proxy statement or presentation at the Meeting does not guarantee that it will be included or presented. Stockholder proposals are subject to certain requirements under the federal securities laws and the MGCL and must be submitted in accordance with the Company's Bylaws.

## **Compliance with Section 16(a) Beneficial Ownership Reporting**

Section 16(a) of the Securities Exchange Act of 1934, and rules thereunder, requires the Company's Directors and officers, and any persons holding 10% or more of its common stock, to file reports of ownership and changes in ownership with the Securities and Exchange Commission and the American Stock Exchange. Based on the Company's review of the copies of such forms it receives, the Company believes that during the calendar year ended 2004, such persons complied with all such applicable filing requirements.

## **Notice to Banks, Broker/Dealers and Voting Trustees and Their Nominees**

Please advise the Company's transfer agent, American Stock Transfer & Trust Company, at 1-800-937-5449 whether other persons are the beneficial owners of the shares for which proxies are being solicited and, if so, the number of copies of this Proxy Statement and other soliciting material you wish to receive in order to supply copies to the beneficial owners of shares.

*It is important that proxies be returned promptly. Therefore, stockholders who do not expect to attend the meeting in person are urged to complete, sign, date and return the enclosed proxy card in the enclosed stamped envelope.*



