

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
FINANCE DEPARTMENT**

TO: Mayor and City Council

FROM: Milo D. Nitschke, Director, Finance Department

THROUGH: Terry M. Brechtel, City Manager

COPIES: Melissa Byrne Vossmer, Assistant City Manager; City Attorney's Office; City Clerk; File

SUBJECT: City of San Antonio Investment Policy Annual Review

DATE: September 11, 2003

SUMMARY AND RECOMMENDATION

This ordinance approves an Investment Policy for the City of San Antonio, Texas, in accordance with the requirement of the Texas Public Funds Investment Act (the "Act"), as amended, for City Council to annually review and approve the City's Investment Policy; and designates certain employees as Investment Officers for the City of San Antonio. This policy provides the framework that is utilized by City Staff to manage the City's investment portfolio, invest in money market mutual funds and to execute investment transactions with broker/dealers.

Staff recommends approval of this Ordinance.

BACKGROUND INFORMATION

The purpose of the City's Investment Policy is to provide a framework for the prudent and efficient investment of City funds, with the objectives of preservation and safeguarding of principal, liquidity, diversification, and return on investments. The City's Investment Policy designates the following employees as Investment Officers for the City of San Antonio: Director of Finance, Assistant Directors of Finance, Tax Assessor, and the following individuals from the Division of Financial Management: Financial Manager, Financial Analyst, Investment Officer, and Finance Officers.

During the 2003 legislative session, the Public Funds Investment Act was amended to make only one minimal change. The change was to include securities lending to the list of authorized investments.

The Act requires an annual review of the Investment Policy by City Council. The existing Investment Policy was approved by City Council on September 12, 2002. In addition to the

revision related to the amendment to the Act, a few additional minimal changes were made to the Investment Policy. These changes include: (1) the composition of the Investment Committee includes two representatives from the City Manager's Office, the Director of Finance, Assistant Directors of Finance, Controller, Tax Assessor, the Director of the Office of Management and Budget and the following individuals from the Division of Financial Management: Financial Manager, Financial Analyst, Investment Officer, and Finance Officers; and (2) the scope of the investment portfolio and the investment strategy was changed to reflect that the Downtown Special Assessment District debt no longer exists, the HUD 108 Guaranteed Loan Fund no longer exists, and the Golf Course Fund is no longer an Enterprise Fund.

In accordance with the Act and the City's Investment Policy, Qualifications Questionnaires to Provide Broker/Dealer Services to the City of San Antonio were mailed to forty-six (46) firms on June 14, 2002. On July 15, 2002, twenty-nine (29) firms responded and on August 16, 2002, the following firms were selected by the City's Investment Committee to engage in investment transactions with the City.

- Banc One Capital Markets
- RBC Dain Rauscher
- First Southwest Company
- Frost National Bank
- Loop Capital Markets*
- Merrill Lynch
- Pryor, Counts & Co.*
- Seattle Northwest Securities
- Southwestern Capital Markets*
- UBS Financial Services
- Wells Fargo
- Zions Bank

*SBEDA firm.

POLICY ANALYSIS

The annual review of the City's Investment Policy and the designation of certain City employees as Investment Officers for the City of San Antonio is consistent with the Act requirements. In addition, the City's Investment Policy complies with all other requirements of the Act and provides the framework that is utilized by City Staff to manage the City's investment portfolio, invest in money market mutual funds and to execute investment transactions with broker/dealers.

FINANCIAL IMPACT

This ordinance has no direct financial impact, however, approval of this Investment Policy provides the mechanism for the prudent, stable and efficient administration of the City's investment activity.

SUPPLEMENTAL COMMENTS

The ethics disclosures for the aforementioned Broker/Dealer firms are attached.

COORDINATION

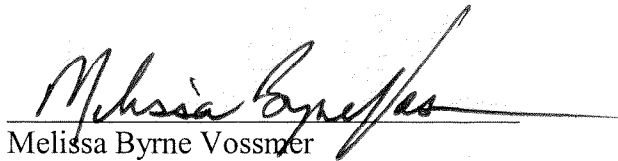
This action has been coordinated with the City Manager's Office and the City Attorney's Office.

SIGNATURES



Milo D. Nitschke
Director, Finance Department

Approved:

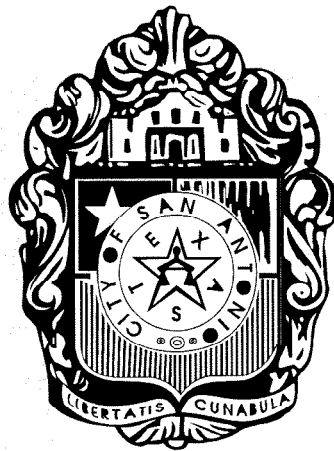


Melissa Byrne Vossmer
Assistant City Manager



Terry M. Brechtel
City Manager

CITY OF SAN ANTONIO, TEXAS
Department of Finance



Investment Policy

September 11, 2003

CITY OF SAN ANTONIO
Department of Finance
Investment Policy

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CITY OF SAN ANTONIO, TEXAS

Investment Policy

INTRODUCTION

Fiduciary responsibility for the management and safeguarding of the City of San Antonio's (the "City") monetary assets resides with the City's Department of Finance. In addition to the management of the City's investment assets, the department also has the responsibility to manage the investment assets of various trust and agency funds. The City's investment strategy for all investments is to ensure availability of funds to meet cash flow requirements, safeguard and preserve principal, maintain liquidity, practice security diversification, minimize risk and maximize yield, all within the context of understanding the suitability of each investment and the cash flow requirements of the City.

The Investment Policy (the "Policy") for the City encompasses a dynamic framework which, under the direction and approval of City Council, provides the City with the flexibility and control required to execute investment transactions and manage the investment portfolio. The Policy incorporates the investment guidelines and mandates promulgated in the Texas Public Funds Investment Act (the "Act"), as amended. As prescribed by the Act, and as authorized by this Policy pursuant to City Council approval, the City's designated Investment Officers include the Director of Finance, Assistant Directors of Finance, Tax Assessor, Division of Financial Management: Financial Manager, Financial Analyst, Investment Officer, and Finance Officers (functional titles of the designated Investment Officers may vary from City of San Antonio Pay Plan titles). Daily investment transactions and management of the City's invested funds are the responsibility of the designated Investment Officers within the Department of Finance, Division of Financial Management.

During the year, periodic review of strategic investment initiatives and management practices shall be undertaken by an Investment Committee. The Investment Committee is comprised of two representatives from the City Manager's Office, the Director of Finance, Assistant Directors of Finance, Division of Financial Management: Financial Manager, Financial Analyst, Investment Officer, Finance Officers, Controller, Tax Assessor, and the Director of the Office of Management and Budget.

Investment transactions are executed through eligible broker/dealers with securities delivered to the Custodian Bank as instructed by the City's Depository Bank. Investment transactions are settled on a delivery versus payment basis with the exception of mutual fund or investment pool investments. Settlement of trades may be done on a same day or subsequent day basis as the Investment Committee and Investment Officers deem most appropriate and advantageous to the City. In addition to the securities acquired through the use of broker/dealers, the City may exercise its right to utilize other investment vehicles such as mutual funds and investment pools as authorized and permitted by the Act and this Policy.

For the reader's convenience, a glossary is attached as Exhibit I.

INVESTMENT COMMITTEE

The Investment Committee shall meet at least quarterly to receive a report from the Financial Manager on the most recent quarter's investment activity, cash position of the City, and proposed investment activity for the next succeeding quarter. The Investment Committee shall also review and suggest any changes or adjustments to investment practices.

In addition to the quarterly meetings, Investment Committee members may hold meetings as needed related to the daily investment activity. Any decisions made shall be within the parameters agreed to by the full committee and within the guidelines established in this Policy.

SCOPE

The Policy applies to all funds invested by the City which include the General Fund; Special Revenue Funds; Debt Service Funds created for general obligation indebtedness and revenue bonds; Capital Project Funds; Enterprise Funds to include the Airport System, Parking Facilities, and Solid Waste System; Internal Service Funds; Expendable Trust Funds to include the San Antonio Housing Trust Fund, Agency Funds, and other funds that may be created.

Investments are pooled into two primary categories, operating funds and debt service funds. Pooled operating funds consist of balances from the City's various funds invested in an aggregate or pooled amount, with principal and interest income distributed to each respective fund on a pro rata basis. Similarly, pooled debt service funds consist of balances applicable to the City's debt service funds invested in an aggregate or pooled amount with principal and interest income distributed to each respective debt service fund on a pro rata basis. In addition, the City may purchase certain investments with the available balance of a specific fund for the sole benefit of such fund. The strategy of pooling investments is subject to change as deemed appropriate by the Investment Committee, and subject to the provisions of this Policy.

In addition to the aforementioned investment portfolio, the City utilizes a repurchase agreement with Societe Generale for the investment of its Convention Center Expansion Debt Service Reserve Fund. The repurchase agreement requires Societe Generale to deposit United States Treasury and Agency securities with the custodian bank, Citibank, N.A., as collateral to fully secure invested funds. The City may utilize repurchase agreements or other similar investment vehicles for other funds within the portfolio as determined by the Investment Committee, and subject to the provisions of this Policy.

Strategic investment practice is focused on meeting daily or short-term cash flow requirements. Long-term investments (investments having maturities in excess of one year) are applicable to balances in construction funds, which may be matched to mature with projected construction draws, and balances held in reserve funds and other such accounts. Investments are typically held to maturity; however, the sale prior to maturity, and acquisition of replacement securities may be exercised if financial analysis deems such transactions beneficial to the City, consistent with the investment strategies and objectives established herein. Investment portfolio management practice includes control, flexibility and safety of investments and may incorporate the utilization of Money Market Mutual Funds, Mutual Funds and Investment Pools into the investment structure to enhance investment portfolio and cash management efficiencies maintaining safety of principal as its primary objective.

INVESTMENT OBJECTIVES

Satisfy Cash Flow Requirements

The suitability of each investment and the cash flow requirements of the City are incorporated into the daily cash flow position analysis and investments are scheduled to mature on a timely basis to meet the City's on-going cash needs. In addition to the estimated daily routine cash needs, investments are scheduled to mature in connection with payroll dates, construction draw down schedules, debt service payment dates, and other major projected cash requirement dates.

Preservation and Safety of Principal

An essential investment objective is to ensure safety of the corpus or principal amount of every investment, as well as the accrued interest thereon. Investment practice exercises diligence in the type of securities purchased and the scheduled maturities of such investments. Credit risk is reduced by purchasing high grade credit securities as prescribed by the Act and this Policy. Market risk is minimized by investing to maturity with maturities scheduled to coincide with estimated cash flow needs. Investment practice includes diversification in the mix of securities held in the portfolio. Financial markets and market values of City investments are evaluated to adjust collateral requirements, as may be needed, for certain securities. Collateral for City funds on deposit is monitored to ensure adequacy of collateral coverage.

Liquidity and Diversification

The investment portfolio shall be structured with diversification and securities that have high credit ratings and are liquid in nature. Fund balances, revenues and expenditure trends shall be studied and monitored to facilitate investment planning in accordance with the cash flow timing, purpose, use and strategies applicable to the City's various funds.

Return on Investments

The City will strive to maximize the return on its investments within the aforementioned safety parameters. While investments are made with scheduled maturities to coincide with estimated cash flow needs, opportunities to enhance the portfolio's return through the sale of securities prior to maturity may be exercised if deemed practical and prudent.

Proactive Portfolio Management

Proactive portfolio management involves review and analysis of the securities in the investment portfolio to take advantage of any sell and buy opportunities that may become available with changes in the market. The purpose of identifying a group of securities for possible sale and the utilization of moneys received from such sale to immediately acquire and replace said securities would be to take advantage of market changes to realize additional profits from such transactions. The sell and buy methodology would involve an analysis of first calculating the possible gain to be made by selling a group of securities and replacing the sold securities with the same or comparable securities.

AUTHORITY TO EXECUTE INVESTMENT TRANSACTIONS

Investment transactions shall be executed by the City's designated Investment Officers which include the Director of Finance, Assistant Directors of Finance, Tax Assessor, Division of Financial Management: Financial Manager, Financial Analyst, Investment Officer, and Finance Officers. Daily investment activity and portfolio management shall be performed by the Department of Finance, Division of Financial Management designated Investment Officers.

PRUDENCE

City of San Antonio investment transactions shall be executed in accordance with the prudent investor rule which states: "Investments shall be made with judgment and care under circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of their capital as well as the probable income to be derived." In addition, investments shall be made in accordance with the Act and this Policy with the character of the investments given the priority of: (i) preservation and safety of principal, (ii) liquidity and diversification, and (iii) return on investments.

Investment Officers shall perform their duties in conformance with procedures and policies as set forth in this Policy. Determination as to whether an Investment Officer has exercised prudence in the execution of investment duties shall be made, in part, by taking into consideration the following:

- (1) the investment of all funds, or funds under the City's control, over which an Investment Officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (2) whether the investment decision was consistent with the written Investment Policy of the City.

INVESTMENT MATURITIES

Strategic portfolio investments focus on meeting short-term operational and debt service cash flow requirements during the course of a year, and long-term cash flow requirements pertaining to fund balances that are reserved for unexpected decreases in cash positions. Short-term investments to meet operational cash flow requirements are typically invested for less than one year, while balances in funds that are not anticipated to be utilized except in extraordinary circumstances may be invested with two and three year maturities, dependent in part on the yield curve and market conditions. Investments purchased with a maturity in excess of five (5) years must have the prior approval of the Director of Finance.

TRAINING

In accordance with the Act, the City's Investment Officers shall attend at least one training session from an independent source approved by the City Council or the Investment Committee as provided for in this policy and containing at least ten (10) hours of instruction within twelve (12) months after taking office or assuming duties. This training must include education in investment controls, investment-related risks, portfolio diversification, and compliance with the Act. Thereafter, Investment Officers shall attend an investment training session not less than once in a two-year period and receive not less than ten (10)

hours of instruction relating to investment responsibilities under the Act from an independent source approved by the City Council or the Investment Committee as provided for in this policy.

ETHICS

An officer or employee of a commission created under Chapter 391 of the Local Government Code is ineligible to be designated as an Investment Officer under the Act for the City. An Investment Officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the City shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Government Code, to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under the Act must be filed with the Texas Ethics Commission and the City Council. For purposes of this section, an Investment Officer has a "personal business relationship" with a business organization if:

- (1) the Investment Officer owns ten percent (10%) or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- (2) funds received by the Investment Officer from the business organization exceed ten percent (10%) of the Investment Officer's gross income for the previous year; or
- (3) the Investment Officer has acquired from the business organization during the previous year, investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

INTERNAL CONTROLS

Internal control is exercised through the separation of functions and the reconciliation of investment transaction records created by different parties involved with each transaction. Investment Officers are authorized to execute investment trades but are not authorized to release, transfer or wire moneys related to investment transactions. Accounting personnel are authorized to effectuate wire transfers and record the transactions. Written records are separately prepared and maintained by the Investment Officers and the Accounting Division. Broker/Dealer trade confirmations and custodial reports are also kept on file.

MONITORING MARKET ACTIVITY AND INVESTMENTS

Market activity is monitored on a continuous basis via financial news wires made available over the Internet system, as well as live news reports and on-line systems with market quotes. Broker/Dealers provide market information and various financial data bases provide historical statistical information. In addition, financial periodicals are perused as an additional information vehicle to broaden financial and market awareness and knowledge. End of month security prices may be obtained from various sources including the City's Depository Bank, on-line market databases, and broker/dealers. This broad-based knowledge is utilized in strategic investment decision making and proactive investment portfolio management.

AUTHORIZED INVESTMENTS

The Texas Public Funds Investment Act authorizes local governments to invest in a prescribed set of investment instruments that can be utilized to promote the goals of safety of principal, liquidity and diversification, and return on investments. All investments shall be made in compliance with the Texas Public Funds Investment Act as adopted by this Policy (in whole or in part) and any other applicable laws. Through this Policy, the City may elect not to participate in all of the instruments allowed by the Act. Listed below are permitted investment instruments as prescribed by this Policy in accordance with the Texas Public Funds Investment Act.

Obligations of, or Guaranteed by, Governmental Entities

Obligations of or Guaranteed by Governmental Entities include, and are limited to, the following:

- (1) Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
- (2) Direct obligations of the State of Texas or its agencies and instrumentalities;
- (3) Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
- (4) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas, or the United States, or their respective agencies and instrumentalities; and
- (5) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent.

Certificates of Deposit and Share Certificates

A certificate of deposit is an authorized investment if the certificate is issued by a state or national bank domiciled in this state, a savings bank domiciled in this state, or a state or federal credit union domiciled in this state and is:

- (1) Guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
- (2) Secured by authorized obligations described in "Obligations of, or Guaranteed by, Governmental Entities" above, including mortgage backed securities directly issued by a Federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those securities specifically prohibited by the Texas Public Funds Investment Act, as amended;
- (3) Secured in any other manner and amount provided by law for deposits of the City.

All such collateral must be fully documented, executed with authorizing documentation, and held at an approved third party institution.

Repurchase Agreements

A fully collateralized repurchase agreement is an authorized investment if the repurchase agreement:

- (1) has a defined termination date;
- (2) is secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities;
- (3) requires the securities being purchased by the City to be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and
- (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas.

A "repurchase agreement" is a simultaneous agreement to buy, hold for a specified time, and sell back at a future date, obligations, including letters of credit, of the United States or its agencies and instrumentalities, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. A "repurchase agreement" includes a direct security repurchase agreement and a reverse security repurchase agreement.

Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.

Money received by the City under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Securities Lending

Securities lending is an authorized investment if:

- (1) the value of securities loaned under the program is not less than 100 percent collateralized, including accrued income;
- (2) a loan made under the program allows for termination at any time;
- (3) a loan made under the program is secured by:
 - (A) pledged securities authorized by the Texas Public Funds Investment Act, Section 2256.009;
 - (B) pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state and continuously rated by at least one nationally recognized investment rating firm at not less than "A" or its equivalent; or
 - (C) cash invested in accordance with the Texas Public Funds Investment Act;
- (4) the terms of a loan made under the program require that the securities being held as collateral be:
 - (A) pledged to the investing entity;
 - (B) held in the investing entity's name; and
 - (C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;
- (5) a loan made under the program is placed through:
 - (A) a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102 (f), as that regulation existed on September 1, 2003; or
 - (B) a financial institution doing business in this state; and

- (6) an agreement to lend securities is executed under this section and has a term of one year or less.

Bankers' Acceptance

A bankers' acceptance is an authorized investment if the bankers' acceptance:

- (1) has a stated maturity of 270 days or fewer from the date of its issuance;
- (2) will be, in accordance with its terms, liquidated in full at maturity;
- (3) is eligible for collateral for borrowing from a Federal Reserve Bank; and
- (4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than "A-1" or "P-1" or an equivalent rating by at least one nationally recognized credit rating agency.

Commercial Paper

Commercial paper is an authorized investment if the commercial paper:

- (1) has a stated maturity of 270 days or fewer from the date of its issuance; and
- (2) is rated not less than "A-1", "P-1" or an equivalent rating by at least two nationally recognized rating agencies, or by one such rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

- (1) is registered with and regulated by the Securities and Exchange Commission (SEC);
- (2) provides the City with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940;
- (3) has a dollar-weighted average stated maturity of 90 days or fewer; and
- (4) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

In addition to a no-load money market mutual fund permitted as an authorized investment, a no-load mutual fund is an authorized investment if the mutual fund:

- (1) is registered with the Securities and Exchange Commission;
- (2) has an average weighted maturity of less than two years;
- (3) is invested exclusively in obligations approved by the Act and this policy;
- (4) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than "AAA" or its equivalent; and

- (5) conforms to the requirements set forth in Sections 2256.016 (b) and (c) of the Texas Public Funds Investment Act, relating to the eligibility of investment pools to receive and invest funds of investing entities.

Mutual Fund Restrictions:

The City may not:

- (1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in no-load mutual funds described above;
- (2) invest any portion of bond proceeds, reserves and funds held for debt service, in the authorized no-load mutual funds described above; or
- (3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one no-load money market mutual fund or no-load mutual fund described above in an amount that exceeds 10 percent of the total assets of such fund.

Investment Pools

The City may invest its funds and funds under its control through an eligible investment pool if the City Council, by ordinance, authorizes investment in the particular pool. The investment pool must only invest in those instruments authorized by the Texas Public Funds Investment Act and this Policy.

To be eligible to receive funds from and invest funds on behalf of the City, an investment pool must furnish to the City through an Investment Officer or other authorized representative of the City, an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:

- (1) the types of instruments in which the money is allowed to be invested;
- (2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date of the pool;
- (3) the maximum stated maturity date any investment security within the pool;
- (4) the objectives of the pool;
- (5) the size of the pool;
- (6) the names of the members of the advisory board of the pool and the dates their terms expire;
- (7) the custodian bank that will safekeep the pool's assets;
- (8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
- (9) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
- (10) the name and address of the independent auditor of the pool;
- (11) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and

- (12) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

In addition, to maintain eligibility to receive funds from and invest funds on behalf of the City, an investment pool must furnish to the City, through an Investment Officer or other authorized representative of the City:

- (1) investment transaction confirmations; and
- (2) a monthly report that contains, at a minimum, the following information:
 - the types and percentage breakdown of securities in which the pool is invested;
 - the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - the size of the pool;
 - the number of participants in the pool;
 - the custodian bank that is safekeeping the assets of the pool;
 - a listing of daily transaction activity relating to the City's participation in the pool;
 - the yield and expense ratio of the pool;
 - the portfolio managers of the pool; and
 - any changes or addenda to the offering circular.

To be eligible to receive funds from and invest funds on behalf of the City, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at \$1.00 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

To be eligible to receive funds from and invest funds on behalf of the City, a public funds investment pool must have an advisory board composed:

- (1) equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 of the Texas Government Code and managed by a state agency; or
- (2) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

To maintain eligibility to receive funds from and invest funds on behalf of the City, an investment pool must be continuously rated no lower than "AAA" or "AAA-m" or at an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days.

BROKER/DEALER, BANK, AND MUTUAL FUND ELIGIBILITY

Broker/Dealer, Bank, and Mutual Fund firms interested in providing investment services to the City will be required to submit a Statement of Qualifications in response to the City's Request for Qualifications

(RFQ). The RFQ may include but not be limited to, inquiries such as the name, address and brief history of the firm, identification of the individuals who will be working with the City, capital structure of the firm, experience in trading fixed income securities, description of major changes that have recently occurred in the firm, disclosure of investigations for alleged improper, fraudulent, disreputable or unfair investment activities, financial reports, and disclosure of any filing or claim the firm may have had or currently has against the City of San Antonio. In addition to the aforementioned inquiries, Mutual Fund firms will be required to provide a prospectus for each of the funds in which the City may invest. The Statement of Qualifications submitted will be periodically reviewed by the City's Investment Committee which will assess whether a Broker/Dealer, Bank or Mutual Fund firm is eligible to provide investment services to the City. Firms which submit a Statement of Qualifications may be deemed eligible to execute investment trades for the City. Although a Broker/Dealer, Bank, or Mutual Fund firm may be deemed "eligible" the City is under no obligation to conduct business or execute any investment transaction with such firm. The term "eligible" as used here means that the City has exercised due diligence in the review of a firm and found such firm to be acceptable to provide investment services to the City. The City may exercise its right to execute investment trades with any eligible firm. Firms shall also be evaluated based on fixed income experience, volume, capitalization, integrity, local presence, Small Business Economic Development Advocacy goals, professionalism, product knowledge, and history of alleged or convicted securities violations and/or settlements.

In addition to submission of a Statement of Qualifications, prospective firms must execute a Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification, as well as complete and sign a Discretionary Contracts Disclosure Form required by the City's Ethics Code. The Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification will serve as the written instrument whereby such firm acknowledges that, among other things: (1) such firm has received and reviewed the City's Investment Policy; and (2) has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and the firm that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards. Nothing in the Act relieves the City of the responsibility for monitoring the investments made by the City to determine that they are in compliance with the City's Investment Policy.

Firms shall be advised that it is the policy of the City to involve qualified small business and local business enterprises to the extent feasible in the City's professional service and other discretionary contracts. Pursuant to Ordinance 96754, the City of San Antonio, its employees, contractors and subcontractors shall not discriminate on the basis of race, color, religion, national origin, sex, age, or handicap in the award and performance of contracts or professional services. Firms are encouraged to contact the Economic Development Department for pertinent information regarding the City's Small Business Economic Development Advocacy (SBEDA) Policy Requirements. Firms offering to engage in the City's investment transactions must submit a completed City SBEDA Form 117C, pertaining to a Good Faith Effort Plan regarding Small, Minority and Women Owned Business, and any other relevant documentation of employment practices and policies.

Utilization of Eligible Firms and Periodic Review

The City will maintain a list of firms who have demonstrated eligibility based on the aforementioned criteria established in the City's RFQ. Investment Officers will administer investments with the goal of providing and distributing opportunities to the various eligible firms. In that regard, whenever possible, the City will obtain at least three quotes on open market investment purchases, and such quotes will be obtained from eligible firms on a rotating basis. The Investment Committee shall review, revise, and adopt, at least once per year, the list of qualified eligible Broker/Dealers, Banks and Mutual Fund firms

with whom the City does business. A firm may be removed from eligible status, without notice, at the City's sole discretion.

INVESTMENT MANAGEMENT FIRMS

The City may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S. C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. The City does not currently utilize an investment management firm for the investment or management of its funds. However, the City may utilize an investment management firm for the investment and management of certain funds if deemed beneficial by the Investment Committee and would be subject to the approval of City Council. A contract made with an investment management firm may not be for a term longer than two years and a renewal or extension of the contract must be approved by the City Council through ordinance.

If the City has contracted with an investment management firm to invest its funds, the investment officer of the investment management firm is considered to be an Investment Officer of the City. Authority granted to a fiduciary to invest City funds is effective until rescinded by the City or until the expiration of the contract with the investment management firm. In the administration of the duties of an Investment Officer, the fiduciary designated as Investment Officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the City Council will retain ultimate responsibility as fiduciaries of the assets of the City.

A written copy of the City's Investment Policy shall be presented to an investment management firm that the City contracts with to invest or manage the City's investment portfolio. A qualified representative of the investment management firm shall execute a written instrument in a form acceptable to the City that demonstrates that the firm has:

- (1) received and reviewed the Investment Policy of the City; and
- (2) acknowledged that the investment management firm has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and the organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

SAFEKEEPING AND COLLATERALIZATION

The City's collateral requirements, safekeeping arrangements and payment for securities is accomplished in accordance with the Public Funds Collateral Act and Texas Public Funds Investment Act, as amended. The City's cash deposits shall be fully secured by a combination of FDIC Insurance coverage or other Federal Insurance and market value of permitted securities as provided for in the Public Funds Collateral Act. Collateral requirements may be minimized, depending on the depository bank services available and other means of securing the City's funds through overnight and short-term investments and/or the timely maturity of investments coincident with large disbursements. Collateral deposits must be pledged to the City and placed in the custody of a third-party institution that customarily provides such custodial services.

Custodial services arranged through the City's depository bank provide for the safekeeping of securities in the City's investment portfolio. Payment of all securities transactions, except mutual funds and investment pools, shall occur on the settlement date on a delivery versus payment basis.

INVESTMENT STRATEGY

The City administers funds which are derived from a variety of sources, and which are utilized for various purposes. Short-term investments, that is investments with maturities of one year or less, make up the predominate amount of the investment portfolio and are utilized to meet operational, debt service and capital project funding needs. Long-term investments are applicable to balances that are not anticipated to be drawn on and are maintained in a reserve position to preserve the financial integrity of the City's financial resources and would be utilized if unexpected cash draws were required. These investments may have maturities between one and three years. Investments with maturities longer than three years would be applicable to debt service reserve balances and other fund balances that provide financial security and serve to enhance the City's creditworthiness. Investments maturing in excess of five years must have prior approval of the Director of Finance.

Investments may be pooled or invested for the benefit of one or more funds. If pooled, principal and interest income is distributed to each respective fund on a pro rata basis. Whether investments are pooled or invested separately is decided by the Investment Committee, based upon which method is most beneficial to the City and on the investment strategies established herein. Individual investments, whether pooled or non-pooled, shall not have a stated maturity that exceeds five (5) years without the prior approval of the Director of Finance. For all City investments, daily and other periodic cash flow analysis shall be performed to facilitate the investing process. The City's fund groups and their general investing strategies based on their various specific purposes are as follows:

General Fund - Investments pertaining to the General Fund are structured primarily to meet the various operating expenses of the City including payroll and other costs of daily operations. Accordingly, these instruments are structured to be safe, liquid and short-term in nature, with maturities generally no greater than one year. In addition, investments pertaining to the General Fund will consist of a diversified group of approved instruments intended to maximize and achieve competitive returns, and to possess adequate marketability so as not to result in materially adverse impacts should unexpected liquidity needs arise. Available funds deemed not to be required for short term operational needs may be invested using a ladder structure between one and five years in callable and non-callable agency securities.

Special Revenue Funds - Investments pertaining to Special Revenue Funds are structured to meet the various specific and restricted expenditure purposes. Generally, the Special Revenue Funds involve frequent activity and require related investment instruments to be liquid and short-term in nature, with maturities generally no greater than one year. In addition, investments pertaining to the Special Revenue Funds will consist of a diversified group of safe and approved instruments intended to maximize and achieve competitive returns, and to possess adequate marketability so as not to result in materially adverse impacts should unexpected liquidity needs arise.

HUD 108 Loan Repayment Program - HUD 108 Loan Repayment Program Funds are invested in direct obligations of the U.S. Treasury, in order to cover interest and principal expenses on the semi annual debt service requirements

Debt Service Funds - Investments pertaining to the Debt Service Funds are structured to mature in conjunction with City debt requirements, and to ensure compliance with any pertinent covenants and legal requirements contained in related bond ordinances. In addition, investments pertaining to the Debt

Service Funds will consist of a diversified group of safe and approved instruments intended to maximize and achieve competitive market rates of return, and to possess adequate marketability so as not to result in materially adverse impacts should liquidation become necessary. Due to definitive debt service schedules, the nature of these funds allows for precise forecasting of required cash flows.

Capital Projects Funds - Investments pertaining to Capital Projects Funds are structured to meet the City's various capital projects obligations. Accordingly, maturity terms of investments pertaining to Capital Project Funds are based on projections and information related to capital project expenditures, with maturity terms timed to meet draw schedule requirements, and not to exceed the expected completion date of the related capital project. Investments pertaining to the Capital Projects Funds will consist of a diversified group of safe and approved instruments intended to maximize and achieve competitive market rates of return, and to possess adequate marketability so as not to result in materially adverse impacts should liquidation become necessary.

Convention Center Expansion Project - An initial deposit of \$156,638,091.43 was made into the Convention Center Expansion Construction Fund with proceeds from the Series 1996 Convention Center Bonds. The Construction Fund is utilized to make payment on Convention Center construction costs as presented for payment. These funds were invested in a repurchase agreement which allowed unlimited withdrawals for construction fund purposes to be made without penalty and with 24 hours notice. The repurchase agreement for the Convention Center Expansion Construction Fund expired July 1, 2001. The remaining funds were transferred to the City and invested as a pooled investment for the benefit of future Convention Center Construction payments.

Enterprise Funds - Investments pertaining to Enterprise Funds are structured to meet the various operating, debt service, and capital project obligations related to the City's Airport System, Parking Facilities, Solid Waste System Funds, and the creation of any other future enterprise funds. Accordingly, liquidity and maturity terms of investments pertaining to Enterprise Funds are based on projections and information related to their various expenditure outlooks and requirements. Investments pertaining to the Enterprise Funds will consist of a diversified group of safe and approved instruments intended to maximize and achieve competitive market rates of return, and to possess adequate marketability so as not to result in materially adverse impacts should liquidation become necessary.

Airport System Funds - Available balances in the Airport Systems Funds exclusive of the construction funds will be laddered over the next five years. The available balances in the Airport construction funds will be invested to match maturities with draw requirements as provided by the Department of Aviation.

Parking Facilities Funds - Available balances in the Parking Facilities Funds will be invested to the end of the current fiscal year and revenue receipts will be invested to cover short-term operational needs.

Solid Waste Funds - Available balances in the Solid Waste Funds will be invested to the end of the current fiscal year and revenue receipts will be invested to cover short-term operational needs.

Fiduciary Funds - Investments pertaining to Fiduciary Funds are structured by the City to satisfy various maturity requirements, based on their specific intended purposes. Fiduciary Funds may involve frequent or infrequent activity, thereby resulting in varying liquidity and maturity requirements. Investments pertaining to the Fiduciary Funds will consist of a diversified group of safe and approved instruments intended to maximize and achieve competitive market rates of return, and to possess adequate marketability so as not to result in materially adverse impacts should liquidation become necessary.

Expendable Trust Funds - Available balances in the Expendable Trust Funds will be invested in securities with maturities within two years. Any revenue receipts will be invested in short-term instruments to the end of the current fiscal year.

San Antonio Housing Trust Fund - The available balance in this fund will be invested in accordance with draw requirements provided by the San Antonio Housing Trust.

Agency Funds - Available balances in the Agency Funds will be invested in securities with maturities within two years. Any revenue receipts will be invested in short-term instruments to the end of the current fiscal year.

Public Improvement District Agency Trust Fund - Any available balance in this fund will be invested in liquid securities to cover expenditures as they arise.

Internal Service Funds - Investments pertaining to Internal Service Funds are structured to satisfy the expenditures incurred in providing goods or services between City departments. The Internal Service Funds involve various activity patterns, and require related investment instruments to include various maturity horizons. In addition, investments pertaining to Internal Service Funds will consist of a diversified group of safe and approved instruments intended to maximize and achieve competitive market rates of return, and to possess adequate marketability so as not to result in materially adverse impacts should liquidation become necessary.

RECORDKEEPING AND REPORTING

Not less than quarterly, the Investment Officers shall prepare and submit to the City Council and the City Manager, a written report of investment transactions of all funds covered by this Policy and the Texas Public Funds Investment Act, for the preceding reporting period within a reasonable time after the end of the period. The report must:

- (1) describe in detail the investment position of the City on the date of the report;
- (2) be prepared and signed jointly by each Investment Officer;
- (3) contain a summary statement, prepared in compliance with generally accepted accounting principles, of each pooled fund group that states the beginning market value for the reporting period, additions and changes to the market value during the period, ending market value for the period, and fully accrued interest for the reporting period;
- (4) state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- (5) state the maturity date of each separately invested asset that has a maturity date;
- (6) state the account or fund or pooled group fund of the City for which each individual investment was acquired; and
- (7) state the compliance of the investment portfolio of the City as it relates to the investment strategy expressed in the City's Investment Policy and relevant provisions of the Texas Public Funds Investment Act.

Reports prepared by the Investment Officers for investments transacted other than money market mutual funds, investment pools or accounts offered by the depository bank in the form of certificates of deposit, shall be formally reviewed at least annually by the City's independent auditors, and the result of the review shall be reported to the City Council.

CLOSING

This policy has been developed by the City's Department of Finance, reviewed by the City Attorney's Office, and approved by the City Manager. The Investment Policy is formally adopted by the City Council through Ordinance. The City's Investment Officers will review this policy periodically in accordance with the Act, to evaluate its effectiveness in meeting the City's public funds investment objectives as stated herein, and in the course of their review revise and update the list of qualified Broker/Dealers, Banks and Mutual Funds with whom the City executes investment transactions. City Council shall review the Investment Policy and investment strategies annually and shall approve an ordinance which states that the City Council has reviewed the Investment Policy and investment strategies. Such ordinance so adopted shall record any changes made to either the Investment Policy or investment strategies.

Exhibit I

CITY OF SAN ANTONIO

Investment Policy

Glossary

DEFINITIONS

The following terms as used in this Policy and in the City's investment portfolio practice shall have the meanings as ascribed below. All definitions provided may not be utilized in this Policy or Investment Reports but are included for informational purposes.

Arbitrage/Rebate Regulations

Arbitrage may arise when tax-exempt municipal bond proceeds are invested at higher yields than the yields on the related bonds. In such cases, interest earnings on the arbitrage bonds may be subject to Internal Revenue Service arbitrage/rebate provisions. The City of San Antonio may from time to time incur arbitrage/rebate liability under these provisions. The City's Finance Department will be responsible for appropriate tracking and maintenance of records to facilitate compliance with requirements of the arbitrage/rebate provisions.

Accrued Interest

Accrued Interest represents the interest on fixed rate securities calculated for the period commencing with the last interest payment date to the settlement date.

Agency Discount Notes

Agency Discount Notes are debt instruments issued by agencies of the United States government with stated maturities not to exceed one (1) year. Agency discount notes are priced at a discount rate based on current market yields. They are not direct obligations of the United States government but are secured by financial arrangements established by each of the applicable issuing agencies.

Airport Construction Fund

The Airport Construction Fund is utilized to make payment on Airport capital improvement construction costs as presented for payment.

Average Life of Portfolio

The Average Life of the Portfolio is the weighted average period of time required to mature all investments in the portfolio.

Bankers' Acceptance (BA)

A Bankers' Acceptance is a negotiable debt instrument primarily utilized to facilitate import/export operations. The note is created by a bank at an agreed upon rate and a stated maturity of less than one (1) year. The Bankers' Acceptance is secured by the creditworthiness of the bank.

Bond Equivalent Yield

The Bond Equivalent Yield is that rate of return on a security sold on a discount basis that assumes actual days to maturity and a 365 day year.

Book Value

Book Value is the original acquisition cost of an investment plus or minus the amortization or accretion of the premium or discount.

Certificates of Deposit (CD)

Certificates of Deposit are debt instruments issued by commercial banks and savings and loan associations which have a stated interest rate and a maturity not less than 7 days. The Certificate of Deposit is insured up to \$100,000 by FDIC and secured by collateral of permitted investments as defined in the Texas Public Funds Investment Act deposited with the custodian bank for the amount of investment in excess of \$100,000.

Collateralized Mortgage Obligations (CMO's)

Collateralized Mortgage Obligations are bonds secured by a pool of mortgages in which the principal cash flows of the pool are separated into two or more series of bonds or tranches that represent short, medium and long-term investments.

Commercial Paper

Obligations issued by banks, corporations, and other financial institutions at interest rates and maturities designed to accommodate the investor's portfolio. Commercial Paper is typically discounted at market yield but may also be interest bearing. Commercial Paper obligations have scheduled maturities that do not exceed 270 days. The security for the Commercial Paper is the creditworthiness of the issuing institution.

Convention Center Expansion Construction Fund

The Convention Center Expansion Construction Fund is utilized to make payment on Convention Center capital improvement construction costs as presented for payment.

Convention Center Expansion Debt Service Fund

The Convention Center Expansion Debt Service Fund is utilized to account for revenues deposited into the fund to pay principal and interest on the outstanding bonds.

Convention Center Expansion Debt Service Reserve Fund

The Convention Center Expansion Debt Service Reserve Fund was created with the issuance of the Series 1996 Convention Center Bonds, and is pledged to the payment of debt service.

Cost

Cost is the price of a security based on market yield exclusive of accrued interest.

Coupon

Coupon represents a stated fixed rate of interest payable at periodic installments, typically every six months.

CUSIP (Committee on Uniformed Securities Investment Procedures)

CUSIP is the standard alphanumeric system used throughout the financial community for identification of security issues.

Discount

Discount represents the difference between the cost of a security priced at less than par or face value and the par or face value of the security and occurs when the yield is greater than the stated rate.

Discount Rate

Discount Rate is used to determine the price of a discount note given market yield.

Federal Agricultural Mortgage Corporation (FRMC)

Farm Credit System banks, commercial banks, thrifts, insurance companies, and other qualified originators of agricultural real estate loans sell their loans to certified loan poolers. These pooled loans are securitized into notes and bonds with fixed interest rates and stated maturities and discount notes that mature within one (1) year at a price based on current market yield and pays the par or face value at maturity. The securities are not direct obligations of the United States government. They are secured by a cash reserve and a \$1.5 billion line of credit to the U.S. Treasury. The Federal Agricultural Mortgage Corporation facilitates the development of a secondary market for farm mortgage loans.

Federal Farm Credit Bank (FFCB)

The Federal Farm Credit Bank issues notes and bonds with fixed interest rates and stated maturities. It also issues discount notes that mature within one (1) year at a price based on current market yield and pays the par or face value at maturity. The securities are not direct obligations of the United States government. Notes, discount notes, and bonds are secured by joint and several obligations of the banks of the Farm Credit System. They are secured by collateral consisting of notes or other obligations of borrowers, obligations of the United States government or any agency thereof, other readily marketable securities approved by the Farm Credit Administration, or cash, in an aggregate value equal to the bonds outstanding. The Federal Farm Credit Bank funds are utilized to provide agricultural loans to farmers and to agricultural associations within the system.

Federal Home Loan Bank (FHLB)

The Federal Home Loan Bank issues notes and bonds with fixed interest rates and stated maturities. It also issues discount notes that mature within one (1) year at a price based on current market yield and pays the par or face value at maturity. The securities are backed by collateral of guaranteed mortgages, cash, government securities, or secured advances to savings and loan associations. They are not direct obligations of the United States government though a credit line with the United States Treasury is in place. The Federal Home Loan Bank funds are utilized to provide money to thrift institutions that in turn originate home loan mortgages.

Federal Home Loan Mortgage Corporation (FHLMC)

The Federal Home Loan Mortgage Corporation issues notes and bonds with fixed interest rates and stated maturities. It also issues discount notes that mature within one (1) year at a price based on current market yield and pays the par or face value at maturity. The securities are unsecured general obligations of the Federal Home Loan Mortgage Corporation and are not direct obligations of the United States government. The Federal Home Loan Mortgage Corporation funds are utilized to purchase mortgages from individual lenders for sale to the secondary market.

Federal National Mortgage Association (FNMA)

The Federal National Mortgage Association issues notes and bonds with fixed interest rates and stated maturities. It also issues discount notes that mature within one (1) year at a price based on current market yield and pays the par or face value at maturity. The securities are unsecured general obligations of the Federal National Mortgage Association and are not direct obligations of the United States government. The Federal National Mortgage Association funds are utilized to purchase mortgages from individual lenders for sale to the secondary market.

HUD 108 Loan Repayment Funds

On June 8, 1998 the City of San Antonio entered into a contract for loan guarantee assistance with the Secretary of Housing and Urban Development. Under the terms of the agreement, the City borrows funds from HUD and in turn loans them to the Greater Kelly Development Corporation for the purpose of capital improvements for Kelly Airforce Base. The HUD 108 Loan Repayment Funds are used for debt service on the loans from HUD.

Investment Pool

An Investment Pool is an entity created to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are preservation and safety of principal, liquidity and yield.

Market Value

Market Value is the current face or par value of an investment multiplied by the selling price of the security as quoted by a recognized market-pricing source on the valuation date.

Maturity Date

Maturity Date is the date in which the principal or stated value of a debt security becomes due and payable.

Money Market Mutual Funds

A Money Market Mutual Fund is an investment vehicle authorized under the Texas Public Funds Investment Act, as amended, which pools money contributed from many investors and allows the fund to act as a large single investor. The Act requires that such fund be a no-load money market mutual fund, be regulated by the Securities and Exchange Commission, have a dollar weighted average stated maturity of 90 days or fewer, and include in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

Mutual Fund

A Mutual Fund is an investment vehicle authorized under the Texas Public Funds Investment Act, as amended, which pools money contributed from many investors and allows the fund to act as a large single investor. The Act requires that such fund be a no-load mutual fund, be registered with the Securities and Exchange Commission, have an average weighted maturity of less than two years, be invested exclusively in permitted investments as defined in the Act and be continuously rated by at least one nationally recognized investment rating firm of not less than "AAA" or its equivalent.

Par/Maturity Value

Par/Maturity Value is the value assigned a security at 100% of its principal or principal plus interest paid at maturity.

Premium

Premium represents the difference between the cost of a security priced at greater than par or face value and the par or face value of the security and occurs when the yield is less than the stated rate.

Price

Price is the dollar value of a security based on a computation of market yield versus stated interest rate.

Pooled Operating Funds

Pooled Operating Funds consist of balances from the City's various funds, exclusive of the debt service

funds, invested in an aggregate or pooled amount with principal and interest income distributed to each respective fund on a pro rata basis.

Pooled Debt Service Funds

Pooled Debt Service Funds consist of balances from the City's Debt Service Funds invested in an aggregate or pooled amount with principal and interest income distributed to each respective fund on a pro rata basis.

Repurchase Agreement (Repo)

A Repurchase Agreement is a debt instrument acquired by an investor with a stated yield and maturity date and a promise by the seller of the debt instrument to repurchase all or a portion of the Repo plus interest upon demand. The Repurchase Agreement is secured with collateral consisting of securities listed as permitted investments as defined in the Texas Public Funds Investment Act and delivered to a custodial bank.

San Antonio Housing Trust Fund

The San Antonio Housing Trust Fund is utilized to account for programs administered by the San Antonio Housing Trust Foundation.

Securities Lending

An investment vehicle where a qualified investor lends securities from their portfolio to another qualified investor to earn enhanced returns on the lent securities through finance charges. The loan is often collateralized and the original securities are returned as repayment at the loan's expiration date.

Settlement Date

Settlement Date is the date in which the security is delivered and payment for the security is made.

Student Loan Marketing Association (SLMA)

The Student Loan Marketing Association issues notes and bonds with fixed interest rates and stated maturities. It also issues discount notes that mature within one (1) year at a price based on current market yield and pays the par or face value at maturity. The securities are not direct obligations of the United States. The Student Loan Marketing Association is a stock-holder owned corporation which has authority to provide liquidity for banks, savings and loan associations, educational institutions, state agencies and other lenders engaged in the Federal Guaranteed Student Loan Program.

Tennessee Valley Authority (TVA)

The Tennessee Valley Authority issues notes and bonds with fixed interest rates and stated maturities. The securities are backed by a first charge upon net power proceeds (net income before interest and non-cash expenses including depreciation). They are not direct obligations of the United States government. The Tennessee Valley Authority was established to develop the resources of the Tennessee Valley region in order to strengthen the regional and national economy and the national defense.

Texas Public Funds Investment Act (The Act)

The Texas Public Funds Investment Act, as amended, provides guidelines for investment practices and lists authorized investments for state agencies and local governments.

United States Treasury Bills

United States Treasury Bills are direct obligations of the United States of America. Treasury Bills are secured by the full faith and credit of the United States government, are sold at a discount based on market yield, pay the par or face value at maturity and are scheduled to mature within one (1) year.

United States Treasury Bonds

United States Treasury Bonds are direct obligations of the United States of America. Treasury Bonds are secured by the full faith and credit of the United States government, have fixed interest rates, pay interest semiannually and are scheduled to mature within 10 years and 1 day to 30 years.

United States Treasury Notes

United States Treasury Notes are direct obligations of the United States of America. Treasury Notes are secured by the full faith and credit of the United States government, have fixed interest rates, pay interest semiannually and are scheduled to mature from 2 to 10 years.

United States Treasury STRIPS

United States Treasury STRIPS (Separate Trading of Registered Interest and Principal Securities) are direct obligations of the United States of America. Treasury STRIPS are secured by the full faith and credit of the United States government. Treasury STRIPS are zero coupon securities derived from selected Treasury Bonds and Notes that are separated on the books of the Federal Reserve Bank into their component parts of principal and interest and sold separately at a price that is equal to the present value computed at a present value discount based on market yield. Interest compounds semiannually and is paid at maturity along with the principal.

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

UBS Financial Services

(Business Organization)

(Signature of Qualified Representative)

JOHN McCamley

(Name & Title)

9/4/03

(Date)

GRANDPRIX VICE
PRESIDENT

**CITY OF SAN ANTONIO
GOOD FAITH EFFORT PLAN**

NAME OF COMPANY: UBS Financial Services

PROJECT NAME: N/A

1. Indicate all MBE-WBE-AABE-SBE subcontractors proposed for this contract. (Use additional sheets as needed.)

NAME OF SUBCONTRACTOR	CONTRACT AMOUNT	% LEVEL OF PARTICIPATION	MBE-WBE- AABE CERTIFICATION NUMBER	HUE (Y/N)
N/A				

Only companies certified as MBE, WBE, AABE or SBE by the City of San Antonio or its certifying organization can be applied towards the contracting goals. All MBE-WBE-AABE-SBE subcontractors must submit a copy of certification certificate through the Prime Contractor. Proof of certification must be attached to this form. If a subcontractor is not certified, please call the Small Business Outreach Division at (210) 207-3900 for information and details and how subcontractors can obtain certification.

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

N/A

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

N/A

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

N/A

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

N/A

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

N/A

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION
N/A			

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.

N/A

9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.

N/A

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

N/A

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.


SIGNATURE OF AUTHORIZED OFFICIAL

Conger Vice President
TITLE OF OFFICIAL

9/4/03 214/981-0501
DATE PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

N/A

(2) the identity of any business entity that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

N/A

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

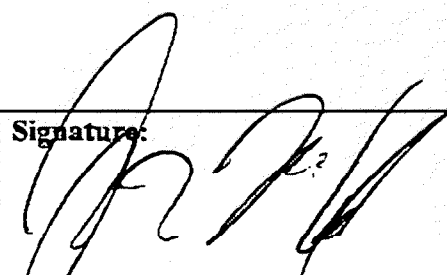
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: CORPORATE VICE President Company: UBS FINANCIAL SERVICES	Date: 9/4/03
--	--	--------------

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: UBS FINANCIAL SERVICES

Signature of Principal:

John McCauley

Printed Name of Principal:

CORPORATE VICE PRESIDENT

Title of Principal

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

Seattle Northwest Securities Corp.
(Business Organization)


(Signature of Qualified Representative)

Tracy L. Salinas, Vice President
(Name & Title)

Sept 4, 2003
(Date)

Financial Mgmt

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

NOT Applicable

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.

J. Aulinas
SIGNATURE OF AUTHORIZED OFFICIAL

Vice President
TITLE OF OFFICIAL

9-4-03
DATE

801-255-0424
PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

--

(2) the identity of any business entity that would be a party to the discretionary contract:

--

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

--

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

--

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Political Contributions


Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which reasonably understood raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Not Applicable

Signature: 	Title: Vice President Company: Seattle Northwest Securities Corp.	Date: 9-4-03
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

**CITY OF SAN ANTONIO
LITIGATION DISCLOSURE**

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

☒ NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

☒ NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

☒ NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: Seattle Northwest Securities Corp.

[Signature]
Signature of Principal:

Traci L. Salinas
Printed Name of Principal:

Vice President
Title of Principal

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

Banc One Capital Markets, Inc.

(Business Organization)



(Signature of Qualified Representative)

Michael B. Bell, Director

(Name & Title)

September 3, 2003

(Date)

CITY OF SAN ANTONIO GOOD FAITH EFFORT PLAN

NAME OF COMPANY: Banc One Capital Markets, Inc.

PROJECT NAME: Not Applicable

1. Indicate all MBE-WBE-AABE-SBE subcontractors proposed for this contract. (Use additional sheets as needed.)

NAME OF SUBCONTRACTOR	CONTRACT AMOUNT	% LEVEL OF PARTICIPATION	MBE-WBE- AABE CERTIFICATION NUMBER	HUE (Y/N)

Only companies certified as MBE, WBE, AABE or SBE by the City of San Antonio or its certifying organization can be applied towards the contracting goals. All MBE-WBE-AABE-SBE subcontractors must submit a copy of certification certificate through the Prime Contractor. Proof of certification must be attached to this form. If a subcontractor is not certified, please call the Small Business Outreach Division at (210) 207-3900 for information and details and how subcontractors can obtain certification.

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.
- _____
- _____

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.


SIGNATURE OF AUTHORIZED OFFICIAL

Michael B. Bell, Director

TITLE OF OFFICIAL

9/3/03
DATE

214-290-2956
PHONE

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

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Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

Not Applicable

(2) the identity of any business entity¹ that would be a party to the discretionary contract:

Not Applicable

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

Not Applicable

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

Not Applicable

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Not Applicable

Political Contributions

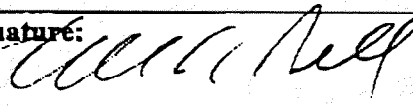
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
Not Applicable		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section I of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Not Applicable

Signature: 	Title: Director	Date:
Michael B. Bell	Company: Banc One Capital Markets, Inc.	9/3/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your ~~XXXX~~ Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your ~~XXXX~~ Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your ~~XXXX~~ Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: Banc One Capital Markets, Inc.

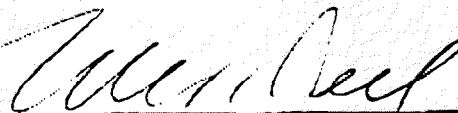
Signature of Principal:

Thomas J. Maciula

Printed Name of Principal:

Managing Director

Title of Principal



Signature of Representative

Michael B. Bell

Printed Name of Representative

Director

Title of Representative

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
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MERRILL LYNCH

(Business Organization)

[Signature]

(Signature of Qualified Representative)

FIRST VICE PRESIDENT INVESTMENT

(Name & Title)

9-3-03

(Date)

CITY OF SAN ANTONIO GOOD FAITH EFFORT PLAN

NAME OF COMPANY: MERRILL LYNCH

PROJECT NAME: N/A

1. Indicate all MBE-WBE-AABE-SBE subcontractors proposed for this contract. (Use additional sheets as needed.)

[illegible]

Only companies certified as MBE, WBE, AABE or SBE by the City of San Antonio or its certifying organization can be applied towards the contracting goals. All MBE-WBE-AABE-SBE subcontractors must submit a copy of certification certificate through the Prime Contractor. Proof of certification must be attached to this form. If a subcontractor is not certified, please call the Small Business Outreach Division at (210) 207-3900 for information and details and how subcontractors can obtain certification.

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- 3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.**

- 4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.**

- 5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.**

- 6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.**

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.


SIGNATURE OF AUTHORIZED OFFICIAL

FIRST Vice President - Investments
TITLE OF OFFICIAL

9-3-03 (314) 999-6690
DATE PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: _____

Action Taken: _____

Approval _____

Denial _____

Approved _____

Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

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Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

N/A

(2) the identity of any business entity that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

N/A

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature:	Title: Company:	Date:

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: MERRILL LYNCH

Signature of Principal: [Signature]

Printed Name of Principal: JAMES A. ELLIOTT

Title of Principal: FIRST VICE PRESIDENT INVESTMENTS

Rev. 5/31/02

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

RBC DAIN RAUSCHER
(Business Organization)

[Signature]
(Signature of Qualified Representative)

James KNORRING, 1st V.P.
(Name & Title)

9/3/03
(Date)

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.
- _____
- _____
10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.


SIGNATURE OF AUTHORIZED OFFICIAL

FIRST VICE PRESIDENT
TITLE OF OFFICIAL

9/3/03
DATE

312 559 1720
PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

JAMES KNORRING

(2) the identity of any business entity that would be a party to the discretionary contract:

RBC DAIN RAUSCHER

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

NONE

and the name of:

(B) any individual or business entity that is known to be a partner or a parent or subsidiary business entity of any individual or business entity who would be a party to the discretionary contract:

PARENT - ROYAL BANK OF CANADA

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

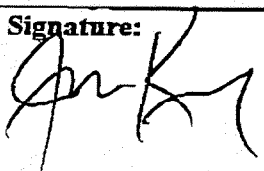
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
NONE		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

NA		
Signature: 	Title: 1st V. P. Company: RBC DAIN RAUSCHER	Date: 9/3/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

**CITY OF SAN ANTONIO
LITIGATION DISCLOSURE**

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

☒ NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

☒ NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

☒ NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name:

RBC DAIN RAUSCHER

Signature of Principal:

JAMES P. KNORRING

Printed Name of Principal:

FIRST VICE PRESIDENT

Title of Principal

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
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This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

Loop Capital MKTS
(Business Organization)


(Signature of Qualified Representative)

Julie Kaek Managing Director
(Name & Title)

9/3/03
(Date)

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

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6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.

9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.

John Kamm
 SIGNATURE OF AUTHORIZED OFFICIAL

Managing Director
 TITLE OF OFFICIAL

9/3/03 *312 913-4942*
 DATE PHONE

Loop Capital UKB 3

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

*For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.*

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(1) the identity of any individual who would be a party to the discretionary contract.

NONE

(2) the identity of any business entity that would be a party to the discretionary contract.

NONE

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract.

NONE

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract.

NONE

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

Loop Capital MKTS

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
NONE		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature:	Title: Company:	Date:

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Loop Capital Mkts

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

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1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

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TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name:

Loop Capital Mkts

Signature of Principal:

Brian Lenart

BRIAN LENART
Printed Name of Principal:

CHIEF COMPLIANCE OFFICER
Title of Principal

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

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 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
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 - b. liquidity and marketability of the investment; and
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First Southwest Company
(Business Organization)

Linda K. Callaway
(Signature of Qualified Representative)

Linda K. Callaway - Sr. Vice President
(Name & Title)

Sept. 3, 2003
(Date)

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

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Good Faith Effort Plan

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COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
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AFFIRMATION

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Linda K Callaway
SIGNATURE OF AUTHORIZED OFFICIAL

Sr. Vice President
TITLE OF OFFICIAL

9/3/03 (512) 781-2040
DATE PHONE

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
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(1) the identity of any individual who would be a party to the discretionary contract:

[Redacted area for question (1)]

(2) the identity of any business entity that would be a party to the discretionary contract:

[Redacted area for question (2)]

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

[Redacted area for question (A)]

and the name of:

(B) any individual or business entity that is known to be a partner or a parent or subsidiary business entity of any individual or business entity who would be a party to the discretionary contract:

[Redacted area for question (B)]

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(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Political Contributions

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To Whom Made:	Amount:	Date of Contribution:

Disclosures in Proposal

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part D, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: <i>Linda K Callaway</i>	Title: <i>SL Vice President</i> Company: <i>First Southwest Co</i>	Date: <i>9-3-03</i>

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

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1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

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Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name:

First Southwest Co

Signature of Principal:

Linda K. Callaway

LINDA K. CALLAWAY

Printed Name of Principal:

Sr. Vice President

Title of Principal

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

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 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
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 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

ZIONS FIRST NATIONAL BANK
(Business Organization)

M. A. Nield
(Signature of Qualified Representative)

MARCUS A. NIELD / INSTITUTIONAL
(Name & Title) INVESTMENT
9/3/2003
(Date) OFFICER

*Good Faith Effort Plan*

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

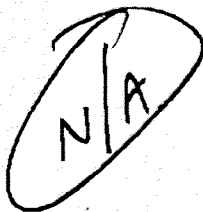
2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

Good Faith Effort Plan


7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.
- _____
- _____
10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.


SIGNATURE OF AUTHORIZED OFFICIAL

SENIOR VICE PRESIDENT - ZIONS FIRST NATIONAL BANK
TITLE OF OFFICIAL

9/3/2003 800-524-4819
DATE PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

N/A

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract.

(2) the identity of any business entity that would be a party to the discretionary contract.

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract.

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract.

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

N/A

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

--

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:

Disclosure in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: <i>C. Richard Schwarz</i>	Title: SENIOR VICE PRES. Company: ZIONS FIRST NATIONAL BANK	Date: 9/3/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: ZIONS FIRST NATIONAL BANK

C. Richard Schwarz
Signature of Principal:

C. RICHARD SCHWARZ
Printed Name of Principal:

SENIOR VICE PRESIDENT
Title of Principal

CITY OF SAN ANTONIO, TEXAS**Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification**

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(16), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except in the cases that this authorization is dependent on an analysis of the make up of the City's asset portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions entered between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

Wells Fargo Bank and Services L.L.C.
(Business Organization)

Scott Burnett
(Signature of Qualified Representative)

Scott Burnett SR. V.P.
(Name & Title)

9-2-03
(Date)

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

N/A

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

N/A

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

N/A

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

N/A

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

N/A

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION
N/A			

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.

N/A

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.


SIGNATURE OF AUTHORIZED OFFICIAL

SR. VP.
TITLE OF OFFICIAL

9-2-03 214-740-1552
DATE PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

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(1) the identity of any individual who would be a party to the discretionary contract:

N/A

(2) the identity of any business entity that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a partner or a parent or subsidiary business entity of any individual or business entity who would be a party to the discretionary contract:

N/A

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:

Amount:

Date of Contribution:

N/A

Disclosures In Proposal

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which reasonably understood raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A

Signature:

Title:

Date:

Company:

Wells Fargo Brokerage

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

**CITY OF SAN ANTONIO
LITIGATION DISCLOSURE**

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

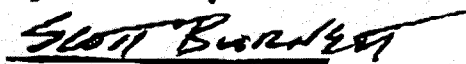
If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

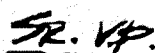
Company Name: _____



Signature of Principal: _____



Printed Name of Principal: _____



Title of Principal: _____

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

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FROST NATIONAL BANK CAPITAL MARKETS
(Business Organization)

Gregory M. Beal
(Signature of Qualified Representative)

GREGORY M. BEAL ASSIST. V. P.
(Name & Title)

9/2/03
(Date)

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Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

N/A

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

N/A

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

N/A

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

N/A

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

N/A

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION
<i>N/A</i>			

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.
-
-

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.

[Signature]
SIGNATURE OF AUTHORIZED OFFICIAL

ASSISTANT V.P. INVESTMENT OFFICER
TITLE OF OFFICIAL

9/2/03 *220-6156*
DATE PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____ Denial _____

Action Taken: Approved _____ Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

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(1) the identity of any individual who would be a party to the discretionary contract:

N/A

(2) the identity of any business entity that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

N/A

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract

N/A

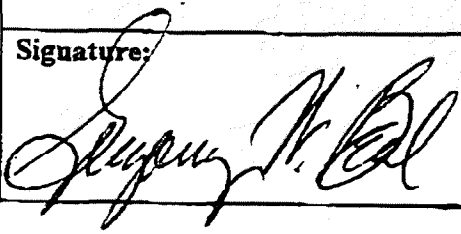
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which reasonably understood raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A		
Signature: 	Title: ASSISTANT V.P. Company: FROST NATIONAL BANK	Date: 9/2/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

☒ NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

☒ NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

☒ NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name:

FROST NATIONAL BANK CAPITAL MARKETS

Signature of Principal:

William H. Sirakos

Printed Name of Principal:

William H. Sirakos

Title of Principal

SENIOR E. V. P.

CITY OF SAN ANTONIO, TEXAS

Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
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PRYOR, COUNTS & CO., INC.
(Business Organization)

Carol L. Mackoff
(Signature of Qualified Representative)

CAROL L. MACKOFF, S.V.P.
(Name & Title)

7-1-02
(Date)

**GOOD FAITH EFFORT PLAN
SBEDA FORM 117C**

NAME OF COMPANY: Pryor Counts & Co., Inc.
PROJECT NAME: BROKER DEALER QUESTIONNAIRE

1. Identify all solicited contractor areas, actual or anticipated. (Use additional sheets as needed). If small, minority, African American, and women business enterprise (S/M/AA/WBE) contracting goals were met, skip to #9.

COMPANY NAME & TRADE AREA	DOLLAR AMOUNT	DBE (Y/N)	D/M/WBE CERTIFICATION NUMBER
Broker Dealer		N	

2.If S/M/AA/WBE contracting goals were not achieved in a percentage that equals or exceeds the City's S/M/AA/WBE goals, please give explanation.

N/A

3.List all S/M/WBE Listings or Directories utilized to solicit participation.

N/A

4.List all contractor associations and other business associations solicited for S/M/AA/WBE referrals.

N/A

SBEDA Form 117C
Rev. 2/8/01

5.Discuss all efforts aimed at utilizing S/M/AA/WBEs.

we are a small MBE firm. The type of business we conduct with the city doesn't require any subcontracting. we compete with all of the city's broker dealers on a price basis.

we do promote and adhere to using other S/M/AA/WBEs whenever possible. Our accounting firm is an MBE. Other vendors we use, e.g. for equipment purchases, are usually MBEs.

City of San Antonio

Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of Council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract;

N/A

(1) the identity of any **business entity**¹ that would be a party to the discretionary contract: _____ and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

N/A

(A) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

N/A

(1) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A		
Signature: Carol L. Mackoff	Title: S.V.P. Company: Pryor, Counts & Co., Inc.	Date: 7-1-02

²For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

LIST OF SUBCONTRACTORS

The Proposer, Pryor Counts & Co., Inc, as part of the procedure for the submission of proposals on a project known as Broker Dealer Questionnaire submits the following list of subcontractors or proposed subcontracting areas (use additional sheets if necessary) to be used in the performance of work to be done on said project.

NAME OF COMPANY & TRADE	D/M/S/WBE CERTIFICATION NUMBER	DOLLAR AMOUNT
N/A		

The following section is to be completed if the contract (Project) is for less than \$200,000. Please list subcontracting solicitations to all minority/women contractors for participation on project. If none, explain (exclude successful bidders listed above). Use additional sheets if necessary. **The contractor is expected to solicit participation on subcontracts from available M/W/AABEs under this contract.**

NAME OF COMPANY PERFORMING WORK	D/M/S/WBE CERTIFICATION NUMBER	REASON FOR REJECTION
N/A		

Only companies certified as SBE, MBE, WBE, AABE or DBE through the South Central Texas Regional Certification Agency (SCTRCA) can be applied towards the contracting goals. All minority/women business enterprise subcontractors must submit a copy of certification certificate through the Prime Contractor. Proof of certification must be submitted utilizing, in part or in whole, an SBE, MBE, AABE, WBE or DBE firm. If not certified, please call the SCTRCA at (210) 227-4722 or write them at 301 S. Frio, Suite 106, San Antonio, Texas 78207.

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of _____ and the Director of Economic Development (through the submittal of SBEDA Form 102, Request for Approval of Change to Original Certified List of Subcontractors).

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.

NAME AND TITLE OF AUTHORIZED OFFICIAL: CAROL L. MACKOFF, S.V.P.

SIGNATURE: Carol L Mackoff DATE: 7-1-02

LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: Pryor, Counts & Co., Inc

Carol L. Mackoff
Signature of Principal:

CAROL L. MACKOFF
Printed Name of Principal:

S.V.P.
Title of Principal


CITY OF SAN ANTONIO, TEXAS
Broker/Dealer, Bank, Mutual Fund, or Investment Pool Certification

I hereby acknowledge and certify the following:

1. I am a Qualified Representative of the business organization offering to engage in an investment transaction with the City of San Antonio (the "City"). A Qualified Representative, as defined in Texas Government Code §2256.002(10), means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:
 - a. for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;
 - b. for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
 - c. for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool.
2. I, as a Qualified Representative for the business organization, do hereby certify that I, the person covering this account, and the business organization, have received and reviewed a written copy of the City's Investment Policy.
3. I acknowledge that this business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and this business organization that are not authorized by the City's Investment Policy, except to the extent that this authorization is dependent on an analysis of the make up of the City's entire portfolio or requires an interpretation of subjective investment standards.
4. I affirm that transactions between this business organization and the City will, to the best of this business organization's ability, be directed by the following objectives:
 - a. preservation and safety of principal;
 - b. liquidity and marketability of the investment; and
 - c. to the extent that this business organization has been informed of, or had the opportunity to review the composition of the City's investment portfolio, it will work with City's Investment Officers toward the diversification of the investment portfolio as directed by the City's Investment Officers.

This business organization will, to the best of its ability, inform the City of risks, if any, associated with financial transactions executed between this business organization and the City. Nothing in this Certification relieves the City of the responsibility for monitoring the investments made by the City to determine that the City is in compliance with the City's Investment Policy.

Southwestern Capital Markets, Inc
(Business Organization)


(Signature of Qualified Representative)

STEPHEN P. ARNOLD, SUP
(Name & Title)

2 Sept 2003
(Date)

It is understood and agreed that, if awarded a contract by the City of San Antonio, the Contractor will not make additions, deletions, or substitutions to this certified list without consent of the Director of Economic Development and Director of the appropriate contracting department (through the submittal of the Request for Approval of Change to Affirmed List of Subcontractors form).

Good Faith Effort Plan

NOTE: If MBE-WBE-AABE-SBE contracting goals were met, skip to #9.

2. If MBE-WBE-AABE-SBE contracting goals were not achieved in a percentage that equals or exceeds the City's goals, please give explanation.

N/A

3. List all MBE-WBE-AABE-SBE Listings or Directories utilized to solicit participation.

N/A

4. List all contractor associations and other associations solicited for MBE-WBE-AABE-SBE referrals.

N/A

5. Discuss all efforts aimed at utilizing MBE-WBE-AABE-SBEs.

N/A

6. Indicate advertisement mediums used for soliciting bids from MBE-WBE-AABE-SBEs.

N/A

Good Faith Effort Plan

7. List all MBE-WBE-AABE-SBE bids received but rejected. (Use additional sheets as needed.)

COMPANY NAME	MBE-WBE-AABE-SBE CERTIFICATION NUMBER	HUE (Y/N)	REASON FOR REJECTION

8. Please attach a copy of your company's MBE-WBE-AABE-SBE policy.
9. Name and phone number of person appointed to coordinate and administer the Good Faith Efforts of your company on this project.

N/A

10. This Good Faith Effort Plan is subject to the Economic Development Department's approval.

AFFIRMATION

I HEREBY AFFIRM THAT THE ABOVE INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER UNDERSTAND AND AGREE THAT, IF AWARDED THE CONTRACT, THIS DOCUMENT SHALL BE ATTACHED THERETO AND BECOME A BINDING PART OF THE CONTRACT.

SIGNATURE OF AUTHORIZED OFFICIAL

TITLE OF OFFICIAL

DATE

PHONE

Good Faith Effort Plan

FOR CITY USE

Plan Reviewed By: _____

Recommendation: Approval _____

Denial _____

Action Taken: Approved _____

Denied _____

DIRECTOR OF ECONOMIC DEVELOPMENT

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

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(1) the identity of any individual who would be a party to the discretionary contract:

N/A

(2) the identity of any business entity¹ that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract;

N/A

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A

Signature:	Title:	Date:
	Company:	

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

CITY OF SAN ANTONIO LITIGATION DISCLOSURE

Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Circle One

YES

NO

2. Have you or any member of your Firm or Team been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Have you or any member of your Firm or Team been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT.

Company Name: SOUTHWESTERN Capital Markets, Inc

Signature of Principal: [Signature]

Robert G. Rodriguez
Printed Name of Principal:

President & CEO
Title of Principal