

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

TO: Mayor and City Council

FROM: Milo 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: Approval of a Financial Underwriter Pool and Initial Financial Underwriter Syndicates

DATE: November 13, 2003

SUMMARY AND RECOMMENDATIONS

This Ordinance approves the selection of a Financial Underwriter Pool from which Financial Underwriter Syndicates will be selected and approved by City Council for various financings for the term commencing with the effective date of this Ordinance and terminating on September 30, 2006 with the exception of any underwritings that are in process but have not been completed; and approves initial Financial Underwriter Syndicates selected from the Financial Underwriting Pool for financings related to (1) General Obligation Bonds and Certificates of Obligation; (2) General Airport Revenue Bonds and Airport Passenger Facility Charge Bonds; (3) Convention Center Hotel Occupancy Tax Revenue Bonds; and (4) Pension Obligation Bonds.

Staff recommends approval of this Ordinance.

BACKGROUND INFORMATION

On July 11, 2003, the Department of Finance mailed thirty-four (34) Request for Proposals (RFP's) soliciting financial underwriting services. The RFP was placed on the City of San Antonio web site and the notice of underwriter solicitation was advertised in the San Antonio Express-News on July 11 and 13, 2003.

Through the issuance of this RFP, the City contemplated the selection of a pool of financial underwriters comprised of firms capable of responding quickly to financing opportunities. With the establishment of this pool, the City would be able to draw from the selected pool of financial underwriters to effectuate certain financing opportunities as they present themselves, exclusive of the Convention Center Headquarter Hotel financing and any lease-lease back, securitization and monetization, lease-in/lease-out or other such types of transactions.

The pool of financial underwriters would be in effect from the effective date of the Ordinance approving the pool through September 30, 2006, with the exception of completing any work in progress that was initiated prior to September 30, 2006 and completed subsequent to September 30, 2006.

On August 12, 2003, a total of twenty-seven (27) proposals to serve as a financial underwriter were received in response to this RFP. The written proposals and firms were evaluated by an underwriter selection committee (the "Selection Committee") comprised of representatives from the City Manager's Office, the departments of Finance, Economic Development, Aviation, Asset Management and the City's Co-Financial Advisors.

The Selection Committee reviewed and individually scored the written proposals according to the criteria incorporated in the RFP which included the experience of the firm, the experience and availability of the assigned personnel, marketing capabilities, working relationship with Co-Managers, and Small Business Economic Development Advocacy Program goals. These scores were then totaled and an average score for each firm calculated. The proposals were scored within three (3) categories based on excess net capital: firms with excess net capital greater than \$750,000,000; firms with excess net capital ranging from \$20,000,000 to \$749,000,000; and firms with excess net capital less than \$20,000,000. The scoring in these three categories provided the opportunity for large, medium, small, local, and SBEDA firms to serve in the capacity of Senior, Co-Senior, or Co-Managing Underwriter. As will be demonstrated later in this memo, the makeup of the pool, as well as the suggested syndicates is representative of the aforementioned categories and works to engage firms to provide professional services and meet policy goals.

The Selection Committee selected five (5) firms in each category to make oral presentations based on the five (5) highest scores in each category. These fifteen (15) firms were placed into the pool of financial underwriters from which underwriting syndicates will be selected. The firms are listed below in alphabetical order:

A.G. Edwards & Sons, Inc	J.P. Morgan	Ramirez & Company
Banc One Capital Markets	Jackson Securities	Siebert Brandford Shank & Co.
Bear Stearns & Co.	M.E. Allison & Co.	Southwest Securities
Citigroup Global Markets	Morgan Stanley	Southwestern Capital Markets
First Southwest Company	RBC Dain Rauscher	UBS Financial Services

Any firm that is in the underwriting pool may serve as a senior, co-senior, or co-managing underwriter.

The second part of the selection process was to determine which firms would make up the financial underwriting syndicates for the financings that the City may currently evaluate and undertake.

Selection Committee members were asked to individually select a senior manager and co-senior manager for financings related to (1) General Obligation Bonds and Certificates of Obligation; (2) General Airport Revenue Bonds and Airport Passenger Facility Charge Bonds; (3) Convention Center Hotel Occupancy Tax Revenue Bonds; and (4) Pension Obligation Bonds.

To assist the Selection Committee in determining which firms were the best fit to serve as senior and co-senior managing underwriters for the specific financings identified, the Selection Committee discussed the syndicate selection criteria for each transaction. Also, during the oral presentations, firms were asked to identify their preferred category of financing, i.e., general obligation, airport, convention center and pension obligation bonds. A summary of the criteria for each of the aforementioned financings is described in the following paragraphs below.

The criteria for serving as a senior or co-senior manager on the financing of General Obligation Bonds and Certificates of Obligation includes: (1) knowledge of outstanding general obligation bonds and certificates of obligation and general knowledge of the City's Debt Management Plan; (2) technical knowledge for structuring, refunding and computer modeling, (3) good understanding of the City's credit rating and maintenance of same; (4) experience of senior investment banker that is specifically assigned to City and senior underwriting person who has knowledge of the City's credit and bond buyers; (5) primary and secondary market activity pertaining to San Antonio and Texas bonds; (6) resources applicable to commercial paper, variable rate demand bonds, and auction rate securities; and (7) capital position that is capable of underwriting bonds into inventory in adverse market conditions.

The criteria for serving as a senior or co-senior manager on the financing of General Airport Revenue Bonds and Airport Passenger Facility Charge Bonds includes: (1) technical knowledge of outstanding aviation debt (Alternative Minimum Tax ("AMT") and Non AMT bonds); (2) general knowledge of the Airport Capital Improvement Plan; (3) technical knowledge of airport business areas and airport operations; (4) utilization of cash, passenger facility charges, general airport revenue bonds, letters of intent and federal grants and knowledge and experience with origination and destination (O&D) versus HUB airports; (5) knowledge and experience pertaining to the relationship of airline requirements versus airport resources; (6) knowledge and experience of the Aviation industry; (7) knowledge and experience to structure financing of capital improvements to maintain low cost per enplanement; (8) technical knowledge for designing and structuring legal and financial parameters as well as demonstrated technical capacity for computer modeling, cash flow analysis and refunding; (9) thorough understanding of the Airport's credit ratings and maintenance of same; (10) experienced senior investment banker that is specifically assigned to City and senior underwriting person who has knowledge of the Airport's credit and bond buyers; (11) primary and secondary market activity pertaining to San Antonio and Texas bonds; (12) resources applicable to commercial paper, variable rate demand bonds, auction rate securities and interest rate exchange structures; and (13) capital position that is capable of underwriting bonds into inventory in adverse market conditions.

The criteria for serving as a senior or co-senior manager on the financing of Convention Center Hotel Occupancy Tax Revenue Bonds include: (1) technical knowledge of outstanding Convention Center debt and general knowledge of the Convention Center Long Term Capital Improvement Plan; (2) knowledge of Convention Center operations; (3) knowledge and experience with Convention Center projects; (4) knowledge and experience pertaining to the relationship of industry planner requirements versus Convention Center resources; (5) knowledge and experience of the Visitor industry; (6) knowledge and experience to structure financing of capital improvements; (7) technical knowledge for designing and structuring legal and financial parameters as well as demonstrated technical capacity for computer modeling, cash flow analysis and refunding; (8) thorough understanding of Convention Center credit ratings and maintenance

of same; (9) experience of senior investment banker that is specifically assigned to City and senior underwriting person who has knowledge of the Convention Center's credit and bond buyers; (10) primary and secondary market activity pertaining to San Antonio and Texas bonds; (11) resources applicable to commercial paper, variable rate demand bonds, auction rate securities and interest rate exchange structures; and (12) capital position that is capable of underwriting bonds into inventory in adverse market conditions.

The criteria for serving as a senior or co-senior manager on the financing of Pension Obligation Bonds includes: (1) technical knowledge of pension obligation bond legislation; (2) technical knowledge of pension plans and actuarial studies; (3) knowledge and experience with pension obligation bonds; (4) knowledge and experience pertaining to the relationship of cash flow, annual contributions to plan, cost of debt and portfolio investment performance; (5) knowledge and experience to structure pension obligation financing; (6) technical knowledge for designing and structuring legal and financial parameters as well as demonstrated technical capacity for computer modeling and cash flow analysis; (7) thorough understanding of potential impact to general obligation credit ratings; (8) experience of senior investment banker that is specifically assigned to City and senior underwriting person who has knowledge of the City's credit and bond buyers; (9) primary and secondary market activity pertaining to San Antonio and Texas bonds; (10) resources applicable to commercial paper, variable rate demand bonds, auction rate securities and interest rate exchange structures; and (11) capital position that is capable of underwriting bonds into inventory in adverse market conditions.

The recommendations of the Selection Committee were tallied and the firms that tallied the highest as senior manager for each type of financing were selected as senior manager and the firms that tallied the highest as co-senior manager were selected as co-senior manager.

Upon completion of the selection of senior and co-senior managing underwriters the Selection Committee discussed the selection of co-managers to complete each syndicate with the most qualified and diverse firms, best suited to meet the City's needs. The co-managers to be included in all syndicates were selected by consensus vote of the Selection Committee.

The aforementioned process will be followed to select underwriting syndicates out of the pool of financial underwriters for future financing transactions. The selection will be determined by a representative from the City Manager's Office, the Director of Finance, the Financial Manager, the Director of Economic Development, and the Co-Financial Advisors.

Based on the aforementioned evaluation criteria and selection process, the Selection Committee recommends approval of the following firms in the respective designated roles in the underwriting syndicates as follows.

General Obligation Bonds and Certificates of Obligation:

<u>Firm</u>	<u>Role</u>	<u>Classification</u>
Ramirez & Company	Senior Book Running Manager	MBE, DBE
First Southwest Company	Co-Senior Manager	
M.E. Allison & Co.	Co-Manager	
Southwestern Capital Markets	Co-Manager	MBE, DBE
Southwest Securities	Co-Senior Manager	

General Airport Revenue Bonds and Airport Passenger Facility Charge Bonds:

<u>Firm</u>	<u>Role</u>	<u>Classification</u>
Siebert Brandford Shank & Co.	Co-Senior Manager	MBE, AABE, WBE, DBE
Morgan Stanley	Co-Senior Manager	
Bank One Capital Markets	Co-Manager	
RBC Dain Rauscher	Co-Manager	
Southwest Securities	Co-Manager	

Convention Center Hotel Occupancy Revenue Bonds:

<u>Firm</u>	<u>Role</u>	<u>Classification</u>
J.P. Morgan	Senior Book Running Manager	MBE, AABE, DBE
Citigroup Global Markets	Co-Senior Manager	
Jackson Securities	Co-Manager	
A. G. Edwards & Sons, Inc.	Co-Manager	

Pension Obligation Bonds:

<u>Firm</u>	<u>Role</u>	<u>Classification</u>
UBS Financial Services	Senior Book Running Manager	MBE, AABE, DBE
Bear Stearns & Co.	Co-Senior Manager	
Jackson Securities	Co-Manager	
Morgan Stanley	Co-Manager	
Citigroup Global Markets	Co-Manager	MBE, DBE
Ramirez & Company	Co-Manager	

MBE = Minority Business Enterprise

WBE = Woman-Owned Business Enterprise

AABE = African American Business Enterprise

DBE = Disadvantaged Business Enterprise

POLICY ANALYSIS

The selection of underwriting syndicates is consistent with the City's policy and previous actions to employ underwriting syndicates to market and underwrite the City's debt obligations, as well as, assist in the design and structuring of such obligations. The selection of the syndicates and undertaking of the potential financings is consistent with the capital projects budget and debt management plan.

FISCAL IMPACT

The aforementioned financings are consistent with approved capital projects and the debt management plan. Fees for financial underwriting services pertaining to any proposed bond

transactions will be paid from the proceeds derived from the issuance and sale of such obligations. Therefore, there is no impact on the City's Operating Budget.

SUPPLEMENTAL COMMENTS

Pursuant to approval of this Ordinance and establishment of the syndicate, staff will work with the Senior Managers to develop bond allocation and a participation process that is consistent with the City's goals and Small Business and Economic Development Advocacy Program. The score sheets and disclosures required by the City's Ethics Ordinance for each of the firms are attached.

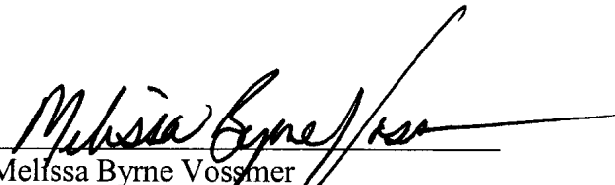
COORDINATION

Selection of the underwriting syndicates was coordinated with the City Manager's Office, City Attorney's Office, the Departments of Finance, Economic Development, Aviation, Asset Management and the City's Co-Financial Advisors.

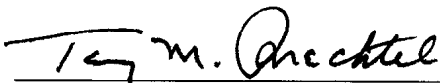


Milo D. Nitschke
Director, Finance Department

Approved:



Melissa Byrne Vossmer
Assistant City Manager



Terry M. Brechtel
City Manager

October 9, 2003

**City of San Antonio
Evaluation of Firms to Provide Financial Underwriting Services**

Firms With Excess Net Capital Greater Than \$750M

	Firm Name:	CitiGroup Global Markets	UBS Financial Services	Morgan Stanley Co. Inc.	JP Morgan	Bear Stearns & Co., Inc.	Lehman Brothers	Goldman, Sachs & Co.	Bank of America Securities LLC	
	Category:	OVER \$750M	OVER \$750M	OVER \$750M	OVER \$750M	OVER \$750M	OVER \$750M	OVER \$750M	OVER \$750M	
	Category:	N, L	N, L	N, L	N, L	N	N	N	N, L	
	**SBEDA:									
EVALUATION CRITERIA	Maximum Score									
Firm's Experience	15	14.222	14.000	13.889	13.000	13.222	13.222	13.556	11.867	
Experience of Assigned Personnel	20	17.556	10.000	15.556	15.000	17.111	15.667	15.556	13.111	
Availability of Assigned Personnel	10	8.556	8.667	8.111	9.111	7.889	8.111	8.000	7.667	
Marketing:										
Offices	1	1.000	1.000	1.000	0.944	0.889	0.889	0.833	1.000	
Personnel	1	1.000	1.000	1.000	0.944	0.889	0.889	0.833	1.000	
Primary and Secondary Market Activity for San Antonio & Texas Bonds	5	5.222	5.333	4.667	5.111	4.778	4.667	4.222	4.000	
Demonstrated Knowledge of Bond Buyers of San Antonio & Texas Bonds	7	6.222	6.444	5.667	5.778	5.667	5.667	5.333	4.611	
Demonstrated Working Relationship with Co-Managers	10	8.667	8.556	8.333	8.667	8.444	8.667	7.889	7.333	
Technical Expertise	10	9.333	8.889	8.889	8.556	8.667	8.667	8.333	6.333	
SUBTOTAL	80	71.778	70.778	67.112	67.111	67.558	66.440	64.556	56.722	
Local Business Enterprise	10	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Historically Underutilized Enterprise	5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
SBEDA Policy Compliance	5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
SUBTOTAL	20	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
TOTAL	100	71.778	70.778	67.112	67.111	67.558	66.440	64.556	56.722	

NOTE: Firms that are shaded comprise the Pool of Underwriters and made oral presentations

*Categories:
N = National
R = Regional
L = Local

** SBEDA (Small Business Economic Development Advocacy) certification:
MBE = Minority Business Enterprise
AABE = African American Business Enterprise
WBE = Woman Owned Business Enterprise
DBE = Disadvantaged Business Enterprise
SBE = Small Business Enterprise

October 9, 2003

City of San Antonio
Evaluation of Firms to Provide Financial Underwriting Services

Firms With Excess Net Capital Ranging From \$20M to \$749M

	Firm Name:	First Southwest Company	A.G. Edwards & Sons, Inc.	RBC Dain Rauscher	Southwest Securities	Bank One Capital Markets, Inc.	Morgan Keegan & Co.	US Bancorp Piper Jaffrey	William R. Hough & Co.	First Albany Corp.	
	Category:	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	\$20M TO \$750M	
	*Category:	N, L	N, L	N, L	R, L	N, L	R	R	R	R	
	**SBEDA:										
EVALUATION CRITERIA	Maximum Score										
Firm's Experience	15	13.111	12.778	12.000	12.111	11.778	11.667	11.778	10.889	10.111	
Experience of Assigned Personnel	26	16.778	16.111	15.111	13.778	13.444	14.333	14.667	13.889	12.556	
Availability of Assigned Personnel	10	8.667	9.222	7.667	8.667	8.111	7.556	6.889	6.889	6.444	
Marketing:											
Offices	1	0.889	1.000	1.000	0.889	1.000	0.833	0.889	0.833	0.722	
Personnel	1	1.000	1.000	1.000	1.000	1.000	0.833	0.889	0.833	0.722	
Primary and Secondary Market Activity for San Antonio & Texas Bonds	8	5.111	4.667	4.667	4.333	4.222	3.778	3.667	3.111	2.222	
Demonstrated Knowledge of Bond Buyers of San Antonio & Texas Bonds	7	6.000	5.278	5.222	5.222	4.500	4.111	4.444	3.889	3.000	
Demonstrated Working Relationship with Co-Managers	10	8.556	7.667	7.667	7.111	6.444	7.778	7.444	6.444	7.889	
Technical Expertise	18	9.222	7.889	7.111	6.667	8.333	7.111	7.111	6.333	6.222	
SUBTOTAL	90	66.334	65.612	61.445	59.778	56.832	58.000	57.778	53.110	49.888	
Local Business Enterprise	10	6.000	6.000	6.000	6.000	6.000	0.000	0.000	0.000	0.000	
Historically Underutilized Enterprise	5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
SBEDA Policy Compliance	5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
SUBTOTAL	20	6.000	6.000	6.000	6.000	6.000	0.000	6.000	0.000	0.000	
TOTAL	100	74.334	71.612	67.445	65.778	62.832	58.000	57.778	53.110	49.888	

NOTE: Firms that are shaded comprise the Pool of Underwriters and made oral pre

*Categories:

N = National

R = Regional

L = Local

** SBEDA (Small Business Economic Development Advocacy) certification:

MBE = Minority Business Enterprise

AABE = African American Business Enterprise

WBE = Woman Owned Business Enterprise

DBE = Disadvantaged Business Enterprise

SBE = Small Business Enterprise

October 9, 2003

City of San Antonio
Evaluation of Firms to Provide Financial Underwriting Services

Firms With Excess Net Capital Less Than \$20M

	Firm Name:	Stebert Brandford Shank & Co.	Ramirez & Co.	Southwestern Capital Markets	Jackson Securities LLC	M.E. Allison	SAMCO Capital Markets	Bancart Capital Inc.	Walton Johnson Group	Malachuk Group Inc. The	Cabrera Capital Markets	
	Category:	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	LESS THAN \$20M	
	*Category:	R, L	N, L	R, L	N	R, L	R, L	N	R	N, R	N, R	
	**SBEDA:	MBE, AABE, WBE	MBE	SBE, DBE, MBE	MBE, AABE (Pending)	SBE		MBE, AABE	MBE, AABE	MBE, AABE	MBE	
EVALUATION CRITERIA	Maximum Score											
Firm's Experience	15	12.889	13.333	10.333	11.222	9.667	10.000	8.111	9.667	8.667	8.222	
Experience of Assigned Personnel	20	16.333	16.556	11.444	13.778	12.111	13.889	11.667	10.889	10.667	10.222	
Availability of Assigned Personnel	10	8.778	8.556	9.333	6.889	8.111	7.556	6.889	6.889	5.667	5.889	
Marketing:												
Offices	1	1.000	0.944	0.889	0.778	0.778	0.833	0.444	0.778	0.444	0.556	
Personnel	1	1.000	0.944	0.889	0.778	0.889	0.833	0.778	0.778	0.778	0.778	
Primary and Secondary Market Activity for San Antonio & Texas Bonds	6	4.222	5.000	3.333	3.000	3.000	3.000	1.556	2.333	1.556	1.889	
Demonstrated Knowledge of Bond Buyers of San Antonio & Texas Bonds	7	5.000	5.667	3.889	3.278	3.556	3.889	2.389	2.611	1.833	2.667	
Demonstrated Working Relationship with Co-Managers	10	7.333	8.889	6.111	7.222	5.889	7.333	4.111	4.444	4.222	3.222	
Technical Expertise	10	7.111	7.889	5.333	6.333	5.222	6.333	5.333	4.778	4.667	4.889	
SUBTOTAL	80	63.666	67.778	51.354	53.278	49.223	53.666	41.278	43.167	38.501	38.334	
Local Business Enterprise	10	8.000	6.000	16.000	0.000	10.000	6.000	0.000	0.000	0.000	0.000	
Historically Underutilized Enterprise	5	5.000	0.000	5.000	5.000	0.000	0.000	5.000	0.000	0.000	0.000	
SBEDA Policy Compliance	5	3.000	1.000	2.000	3.000	1.000	0.000	3.000	0.000	0.000	0.000	
SUBTOTAL	20	14.000	7.000	17.000	8.000	11.000	6.000	8.000	0.000	0.000	0.000	
TOTAL	100	77.666	74.778	68.354	61.278	60.223	59.666	49.278	43.167	38.501	38.334	

NOTE: Firms that are shaded comprise the Pool of Underwriters and made oral prese

*Categories:
N = National
R = Regional
L = Local

** SBEDA (Small Business Economic Development Advocacy) certification:
MBE = Minority Business Enterprise
AABE = African American Business Enterprise
WBE = Woman Owned Business Enterprise
DBE = Disadvantaged Business Enterprise
SBE = Small Business Enterprise

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**¹ that would be a party to the discretionary contract:

A.G. Edwards & Sons, Inc.

and the name of:

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

A.G. Edwards has no subcontracting relationships with respect to the proposed contract with the exception of ordinary relationships involving other registered securities firms which may act or seek to act, from time to time, as underwriter or financial advisor to the State, which relationships are always known to the issuer on a transaction-by-transaction basis.

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;

A.G. Edwards & Sons, Inc. is a wholly owned subsidiary of A.G. Edwards, Inc.

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

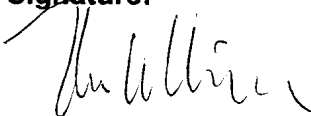
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *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:
<p>A.G. Edwards has implemented firm-wide policies to ensure compliance with Rule G-37 of the Municipal Securities Rulemaking Board, as well as other applicable laws and rules governing political contributions. These procedures include, in part, the requirement that certain restricted employees obtain approval before making political contributions to any state or local candidate or official. In addition, such restricted employees must sign quarterly certifications, which identify specific contributions that were given during the reporting quarter. Based on the information available to the firm which was obtained through these procedures, to the best of our knowledge and belief, neither A.G. Edwards nor any of its employees who would participate as part of the firm's financing team have made any political contribution 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.</p> <p>We note that spouses of the firm's employees, as well as other third parties who are not associated with A.G. Edwards, are not directly subject to our firm's political contributions policies and, therefore, we are not able to make a general representation concerning any contributions by such persons. However, the firm's policies prohibit our employees from using third parties to evade the firm's restrictions concerning political contributions.</p>		

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.

Because of the size and scope of our firm's business, it is not feasible to perform a firm-wide sweep that would enable us to make a categorical representation that there are no relationships in which there might be a potential conflict of interest involving the persons and entities involved with this proposed transaction. However, after a review of our firm's brokerage business and employee activities, we found no information to suggest that there is any relationship that would create a material conflict of interest in connection with the activity contemplated by this proposal. We note that A.G. Edwards engages in, and has in the past engaged in, routine brokerage and other securities transactions with the City of San Antonio and related entities.

Signature: 	Title: Managing Director Company: A.G. Edwards & Sons, Inc.	Date: August 12, 2003
--	--	--

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.

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

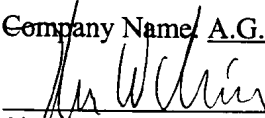
YES

☒ 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 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 A.G. Edwards & Sons, Inc.


Signature of Principal:

Nora W. Chávez

Printed Name of Principal:

Managing Director – Investment Banking

Title of Principal

* A.G. Edwards & Sons, Inc. is a major underwriter of Public Finance and Corporate securities. In addition, the firm has an extensive full-service securities business with over 16,000 employees and over 700 offices in 49 states. During the normal course of business over the past ten (10) years, A.G. Edwards or its employees are or have been subject to informal inquiries, investigations, disciplinary actions and litigation (collectively referred to as "actions") involving a variety of federal and state governmental entities, regulatory bodies and clients. While some of these actions relate to or have related to the firm's municipal securities business, management believes that neither any of the actions considered individually, nor all such actions considered together, have had or will have a material adverse affect on the financial condition or operations of the firm, including the ability of A.G. Edwards to fulfill any obligations under this proposal. To the best of our knowledge and belief, none of the personnel in our firm's Public Finance department that would be assigned to work on the proposed transactions have been subject to any proceedings of the type described in the question.

Should the City desire additional information, all material legal proceedings are required to be reported by the firm in its periodic corporate filings with the Securities and Exchange Commission, which filings are a matter of public record; and the National Association of Securities Dealers sponsors a public disclosure program by which members of the public may request information about arbitrations and enforcement actions affecting the firm.

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**¹ that would be a party to the discretionary contract:

Bank One, 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;

Banc One Capital Markets, Inc.

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

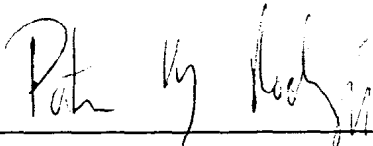
Political Contributions

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: Director Company: Banc One Capital Markets, Inc.	Date: 8/11/03

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.

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: Banc One Capital Markets, Inc.

Petruia Y Rodriguez
Signature of Principal:

Petruia Y Rodriguez
Printed Name of Principal:

Director
Title of Principal

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:

None

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

Bear, Stearns & Co. Inc.

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;

Bear Stearns Companies Inc.

(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

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.

--

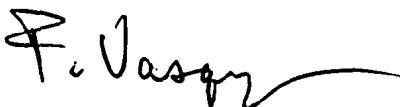
Political Contributions

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:
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 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.

None		
Signature: 	Title: <i>Sr. Managing Director</i> Company: <i>Bear, Stearns & Co. Inc.</i>	Date: <i>8/8/03</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.

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: Bear Stearns & Co. Inc.

F. Vasquez
Signature of Principal:

Frank Vasquez
Printed Name of Principal:

Sr. Managing Dir.
Title of Principal:

Bear, Stearns & Co. Inc. ("Bear Stearns"), the broker/dealer subsidiary of The Bear Stearns Companies Inc. (the "Firm" or the "Company"), operates in a highly regulated industry and as such receives subpoenas and requests from regulatory authorities and other official bodies on a regular basis. At this time, we believe there are no pending or threatened investigations by a regulatory body regarding the conduct of either Bear Stearns, the Firm's other subsidiaries or the Firm's management that would materially affect our ability to serve as an underwriter to the City. All litigation issues are disclosed in the Firm's 10K and 10Q reports, copies of which are available upon request.

Regarding Firm (away from Municipals) settlements that have occurred within the last five years, please note that in August of 1999, Bear, Stearns Securities Corp. ("BSSC"), the Firm's correspondent clearing subsidiary, separately settled administrative proceedings filed by the United States Securities and Exchange Commission ("SEC") and the New York County District Attorney's Office resolving certain allegations relating to BSSC's role as clearing broker for A.R. Baron & Co. Without admitting or denying any wrongdoing, BSSC agreed to pay a fine, establish a restitution fund and pay certain costs of the investigation. BSSC has been informed that the New York County District Attorney has stated that no criminal or other charges will be filed against BSSC or Bear Stearns.

In May of 2000, a suit was filed against the Company in the United States District Court for the Southern District of New York filed by Henryk de Kwiatkowski, a former customer of Bear Stearns. The amended complaint in this action alleges claims for breach of fiduciary duty and negligence. On May 17, 2000, a jury returned a verdict finding that Bear Stearns, the Firm, and Bear Stearns Forex Inc. ("Forex"), a wholly owned subsidiary of the Firm, were liable to Mr. de Kwiatkowski for negligence and awarded damages in the amount of \$111.5 million. The jury also found that the defendants had not breached any fiduciary duties. On June 2, 2000, the court also awarded pre-judgment interest of \$52.3 million. Bear Stearns, the Company, and Forex appealed to the Second Circuit Court of Appeals and on September 20, 2002, the jury verdicts of \$164.5 million were upheld. The Court of Appeals, in a three to zero opinion, reversed the lower court's ruling and directed the lower court to dismiss the case citing that Bear Stearns, the Company and Forex had acted properly in all ways with respect to de Kwiatkowski's account.

In November of 2002, BSSC was censured and fined \$30,000 relating to its failure to reflect yield-to-maturity on customer confirmations that included the commission charged to certain customers of the firms for which BSSC provides clearing services. The software utilized by the Firm's back office operations that generated the erroneous confirmations has been reprogrammed to properly reflect the missing agency based commission data.

In December of 2002, Bear Stearns reached an agreement in principle with the SEC; the National Association of Securities Dealers; the New York Stock Exchange; the Offices of the Attorneys General of New York, New Jersey, Delaware, Vermont, and Hawaii; and the North American Securities Administrators Association to resolve their investigations of Bear Stearns relating to research analyst independence. Pursuant to the agreement in principle, Bear Stearns agreed, among other things, to: (i) pay \$50 million in retrospective relief; (ii) adopt internal structural and operational reforms that will further augment the steps it has already taken to ensure research analyst independence and promote investor confidence; (iii) contribute \$25 million spread over five years to provide independent, third-party research to clients; (iv) contribute \$5 million for investor education programs; and (v) in connection with the agreement in principle, adopt restrictions on the allocation of shares in initial public offerings to corporate executives and directors of public companies.

With respect to our Municipal endeavors, please note the following:

In conjunction with an SEC inquiry, in November of 1998, Bear Stearns, along with most dealers in the municipal industry, was served with a complaint filed in the U.S. District Court (for the Southern District of New York) under the Federal "Whistle Blower Statute" brought by the Federal Government to recover losses it suffered as the result of allegedly inflated escrow prices. This complaint against Bear Stearns was limited to a single financing in 1992 for a Virgin Islands Authority. As of the date of this proposal, a total of approximately \$200 million in settlements have been reached with 32 securities dealers to resolve industry-wide allegations of yield burning. On October 30, 2000, while neither admitting or denying the findings, Bear Stearns agreed to a \$94,000 settlement so as to avoid for itself and its clients the cost and disruption inherent in not settling.

In May of 1999, Bear Stearns was served with a complaint filed in the U.S. District Court (for the Northern District of Illinois, Eastern District) brought by a group of taxpayers derivatively on behalf of the County of Cook, Illinois, in connection with the purchase of United States Treasury Bonds for advance refunding escrows. On March 20, 2000, the U.S. District Court dismissed this case in favor of Bear Stearns.

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:

None

(2) the identity of any **business entity**¹ 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.

(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

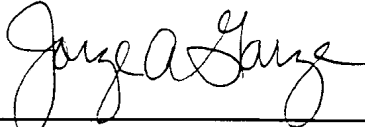
Political Contributions

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 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: Director Company: Citigroup	Date: 8/12/2003

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.

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

As is the case with most large financial institutions, Citigroup and its affiliates have from time to time received inquiries and grand jury subpoenas from law enforcement officials relating to the conduct of its customers and its employees. Citigroup and its affiliates operate under strict legal prohibitions relating to the disclosure of such investigations. See e.g., 18 U.S.C. Section 1510. No indictment or judgment of conviction of Citigroup or any of its affiliates has resulted from any such investigation.

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

From time to time Citigroup Global Markets Inc. ("Citigroup") and its employees are the subject of inquiries and investigations conducted by federal or state regulatory agencies. Citigroup routinely cooperates with such investigations. In addition, Citigroup is involved in a number of civil legal proceedings and arbitration proceedings concerning matters arising in connection with its business. As a public company, Citigroup Global Markets Holdings Inc. ("CGMHI"), the parent company of Citigroup, files periodic reports with the SEC as required by the Securities Exchange Act of 1934 which include current descriptions of material regulatory proceedings, investigations and litigation, if any, concerning Citigroup. To the best of our knowledge, information and belief, we are not aware of any threatened or pending proceedings, investigations or litigation concerning Citigroup or CGMHI which could reasonably be expected to have a material adverse effect on Citigroup's ability to perform the services contemplated by the Request for Proposal. Copies of

CGMHI's periodic reports are on file with the SEC. Citigroup's Form BD is on file with the SEC and with each State.

The following are summaries of certain pending material litigation and/or regulatory matters involving Citigroup:

Enron: Citigroup and various of its affiliates, together with numerous other parties, are named as defendants in a number of lawsuits filed in 2002 and 2003, including putative class actions, arising out of and relating to dealings with Enron Corp. and Enron-related securities. These lawsuits allege violations of certain federal and state securities laws, certain federal statutes (including ERISA and RICO), state unfair competition laws, and certain common law claims (including negligence, civil conspiracy, fraud and breach of fiduciary duty). Additionally, Citigroup has provided substantial information to, and has entered into substantive discussions with, the SEC and bank regulators regarding certain of its transactions with Enron and a transaction with Dynegy Inc. Citigroup and certain of its affiliates have also received subpoenas and requests for information from various regulatory and governmental agencies and Congressional committees as well as from the Special Examiner in the Enron bankruptcy, with which they are fully cooperating.

Research: Since May 2002, Citigroup and certain executive officers and current and former employees have been named as defendants in numerous putative class action complaints, other lawsuits and arbitration claims by purchasers of various securities alleging violations of certain federal and state securities laws and certain state statutes and certain common law claims for allegedly issuing research reports without a reasonable basis in fact and for allegedly failing to disclose conflicts of interest in connection with published investment research. Similar claims with respect to research have also been included in numerous cases pending against Citigroup and other broker/dealers in the IPO Allocation litigation disclosed below and in various other litigation, including the Enron and Worldcom litigation discussed herein.

On April 28, 2003, Citigroup and a number of other broker/dealers announced final agreements with the SEC, the NASD, the NYSE and the New York Attorney General (as lead state among the 50 states, the District of Columbia and Puerto Rico) to resolve on a civil basis all of their outstanding investigations into their research and IPO allocation and distribution practices. As part of the settlements, Citigroup has consented to the entry of an injunction and cease and desist orders barring Citigroup from violating provisions of the federal securities laws and related NASD and NYSE rules relating to research, certain IPO allocation practices, the safeguarding of material nonpublic information and the maintenance of required books and records and requiring Citigroup to adopt and enforce new restrictions on the operation of research. As required by the settlements, Citigroup expects to enter into related settlements with each of the other states, the District of Columbia and Puerto Rico. Consistent with the settlement-in-principle announced in December 2002, these settlement require Citigroup to pay \$300 million for retrospective relief, plus \$25 million for investor education, and commit to spend \$75 million to provide

independent third-party research to its clients at no charge. Citigroup reached these final settlement agreements without admitting or denying any wrongdoing or liability. The settlements do not establish wrongdoing or liability for purposes of any other proceeding.

In addition, with respect to issues raised by the SEC, the NASD and the NYSE about Citigroup's and other firms' email retention practices, Citigroup and several other broker/dealers and the SEC, the NASD and the NYSE entered into a settlement agreement in December 2002. Citigroup agreed to pay a penalty in the amount of \$1.65 million and did not admit to any allegation of wrongdoing.

WorldCom: Citigroup and various of its affiliates, together with numerous other parties, are involved in a number of lawsuits arising out of the underwriting of debt securities of WorldCom, Inc, including putative class actions filed in July 2002, asserting violations of certain federal and state securities laws, certain federal statutes and certain common law claims.

IPO Allocation: In April 2002, consolidated amended complaints were filed against Citigroup and other investment banks named in numerous putative class actions alleging violations of certain federal securities laws with respect to the allocation of shares for certain initial public offerings and related aftermarket transactions and damage to investors caused by allegedly biased research analyst reports. Also pending against Citigroup and other investment banks are several putative class actions which have been consolidated into a single class action alleging violations of certain federal and state antitrust laws in connection with the allocation of shares in initial public offerings when acting as underwriters.

Miscellaneous: In March 1999, a complaint seeking in excess of \$250 million was filed against Citigroup by a hedge fund and its investment advisor. The complaint included allegations that, while acting as prime broker for the hedge fund, Citigroup breached its contracts with plaintiffs, misused their monies, and engaged in tortious (wrongful) conduct, including breaching its fiduciary duties. In October 1999, the court dismissed the tort claims, including the breach of fiduciary duty claims, but allowed the breach of contract and misuse of money claims to stand. In September 2000, the court denied plaintiff's motion to dismiss Citigroup's counterclaims against the investment advisor based on indemnification and contribution. In August 2002, Citigroup filed a motion for summary judgment.

The following is a summary of a concluded material litigation matter involving Citigroup:

In September 1992, Ameritech Pension Trust and Ameritech Corporation sued Citigroup in federal court. The complaint alleged that purchases by Ameritech Pension Trust from Citigroup of approximately \$20.9 million in participations in a portfolio of motels violated ERISA, RICO and state law. Citigroup had acquired the participations from the owners of the motels to finance their purchases of motel

portfolios and sold 95% of three such issues and 100% of one such issue to Ameritech Pension Trust. Ameritech Pension Trust's complaint sought (1) approximately \$20.9 million on ERISA claims, and (2) damages under the RICO and state law claims as well as other relief. All such claims have been dismissed by the courts, except that the US Supreme Court reversed the dismissal of one ERISA claim against Citigroup in June 2000 and remanded the matter to trial court. Both the Department of Labor and the IRS had advised Citigroup that they were reviewing the underlying transactions. In July 2002, the entire matter was settled and all claims were resolved.

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: Citigroup

Jorge A. Garza
Signature of Principal:

Jorge A. Garza
Printed Name of Principal:

Director
Title of Principal

Rev. 5/31/02

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:

None.

(2) the identity of any **business entity**¹ 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;

First Southwest Company is owned by First Southwest Holdings, Inc.

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 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: Senior Vice President Company: First Southwest Company	Date: 8/12/03

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.

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: First Southwest Company

Anne Burger Entrekin
Signature of Principal:

Anne Burger Entrekin

Printed Name of Principal:

Senior Vice President

Title of Principal

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:

None.

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

Dresdner Securities in conjunction with JPMorgan Securities Inc.

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;

J.P. Morgan Chase & Co.
CSI Portfolio Holdings
Hambrecht & Quist California
Lewco Securities Inc.

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 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.

To the best of our knowledge we do not know of any issues that would raise any questions.

Signature: 	Title: Vice President Company: JPMorgan Securities Inc.	Date: 08/12/2003
---	--	------------------

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.

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: JPMorgan Securities Inc.

Frank Sanchez Reed, PP

Signature of Principal:

Frank Sanchez Reed

Printed Name of Principal:

Vice President

Title of Principal

City of San Antonio Discretionary Contracts Disclosure

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

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;

Robert K. Hedrick, Jr.
Jackson Securities, LLC

- (2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Jackson Securities, LLC

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 mean 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

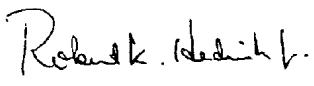
Political Contributions

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:
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 question² as to whether any city official would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

None		
Signature: 	Title: Managing Director Company: Jackson Securities, LLC	Date: August 11, 2003

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 a recusal is required.

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: Jackson Securities, LLC

Robert K. Hedrick, Jr.

Signature of Principal

Robert K. Hedrick, Jr.
Printed Name of Principal

Managing Director
Title of Principal

City of San Antonio
Discretionary Contracts Disclosure*

*For use of this form, see City of San Antonio Ethics Code, Part D, Section 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;

Not Applicable

(2) The identity of any **business entity**⁴ 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;

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

⁴ 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 member of 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 entity include, but are not limited to, contributions made through the officers, owners, 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 question⁵ as to whether any city official would violate Section 1 of Part B by participating in official action relating to the discretionary contract.

Not Applicable

Signature:

M. E. Allison Jr.

Title: President and Chief Executive Officer

Company: M. E. Allison & Co., Inc.

Date: August 12, 2003

⁵ 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.

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 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 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 been involved in any litigation with or filed a claim against 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 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: M. E. Allison & Co., Inc.

M. E. Allison Jr.
Signature of Principal

M. E. Allison, Jr.
Printed Name of Principal:

President and Chief Executive Officer
Title of Principal

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:

Not Applicable

(2) the identity of any **business entity**¹ 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.

--


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:
To the best of our knowledge, information and belief, neither Morgan Stanley, nor its PAC, nor any of its Municipal Finance Professionals, as defined in MSRB Rule G-37, who are currently working on this transaction, has made any political contribution to an official of the City of San Antonio in the last 24 months.		

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.

Not Applicable		
Signature: 	Title: Executive Director Company: Morgan Stanley & Co. Incorporated	Date: August 1, 2003

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.

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

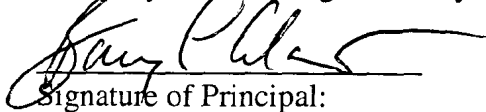
YES

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: Morgan Stanley & Co. Incorporated


Signature of Principal:

Barry Adair

Printed Name of Principal:

Executive Director

Title of Principal

As a public company, Morgan Stanley (formerly known as Morgan Stanley Dean Witter & Co., together with its subsidiaries, "Morgan Stanley"), the parent company of Morgan Stanley & Co. Incorporated, files periodic reports with the Securities and Exchange Commission as required by the Securities Exchange Act of 1934 which include current descriptions of all material litigation and material administrative proceedings and investigations, if any, by federal or state regulatory agencies concerning Morgan Stanley. As stated in these reports, Morgan Stanley believes that the outcome of such litigation, inquiries or proceedings will not have a material adverse effect on its consolidated financial condition. To the best of our knowledge, information and belief, we are not aware of any threatened or pending litigation, investigations or proceedings concerning Morgan Stanley which could reasonably be expected to have a material adverse effect on the Firm's ability to perform services of the nature envisioned by the Request for Proposal. A copy of the "Legal Proceedings" section from the Firm's SEC 10K filings for the past five fiscal years as well as the other SEC filings for the current fiscal year are included in Appendix F.

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**¹ 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

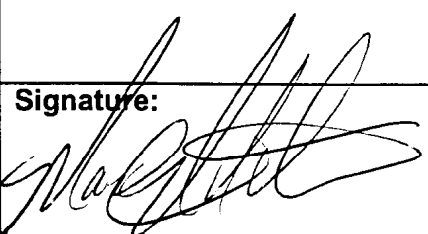
Political Contributions

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: N/A	Amount: N/A	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: Prince Company: RBC Dan Rescher, Inc.	Date: 8/8/03

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.

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 Dean Rauscher, Inc.

Signature of Principal:

Mark C. Nicholas

Printed Name of Principal:

Principal

Title of Principal

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**¹ that would be a party to the discretionary contract:

Ramirez & Co., Inc.

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;

Samuel A. Ramirez & Company

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

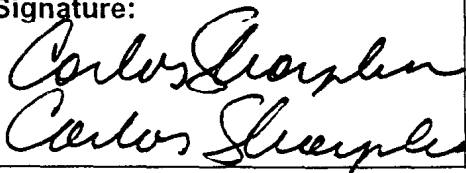
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any 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: Councilman Art Hall	Amount: \$ 100.00	Date of Contribution: 02/27/03
---	-----------------------------	--

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.

None

Signature:  Carlos Ramirez	Title: Senior Vice President Company: Ramirez & Co., Inc.	Date: 08/12/03
--	--	-----------------------

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.

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: Ramirez & Co., Inc.

Carlos Sharpless
Signature of Principal:

CARLOS SHARPLESS

Printed Name of Principal:

SENIOR VICE PRESIDENT

Title of Principal

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:

Napoleon Brandford, III, Chairman

Erlinda Dimas, Sr. Vice-President

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

Siebert Brandford Shank & Co., LLC

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.

(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 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: Chairman Company: Siebert Brandford Shank & Co., LLC	Date: August 11, 2003

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.

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: Siebert Brandford Shank & Co., LLC

Napoleon Brandford III

Signature of Principal:

Napoleon Brandford, III
Printed Name of Principal:

Chairman
Title of Principal

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:

None - Only Southwest Securities employees will work on this transaction.

(2) the identity of any **business entity**¹ 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.

- (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

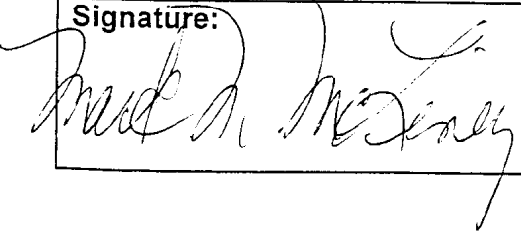
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *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 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.

- None -

Signature: 	Title: Vice President Company: Archwest Securities	Date: 8/12/03
---	---	------------------

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.

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

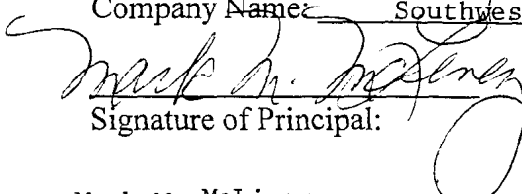
YES

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: Southwest Securities


Signature of Principal:

Mark M. McLiney
Printed Name of Principal:

Senior Vice President

Title of Principal

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:

Robert G. Rodriguez, President & CEO

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

Southwestern Capital Markets, Inc.

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.

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.

- (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.

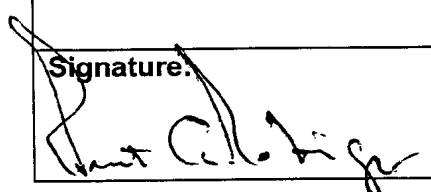
Political Contributions

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:
MSRB Rule G-37 prohibits any dealer from engaging in municipal securities business with an issuer within 2 years of any contribution to an official of such issuer except a maximum of \$250 is allowed for someone you may vote for. A contribution was made to Art A. Hall	\$250.00	Sometime before the election.

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: President & CEO Company: Southwestern Capital Markets, Inc.	Date: August 8, 2003
--	---	--------------------------------

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.

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:

Robert G. Rodriguez
Printed Name of Principal:

President & CEO
Title of Principal

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**¹ that would be a party to the discretionary contract:

UBS Financial Services Inc.

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.

- (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

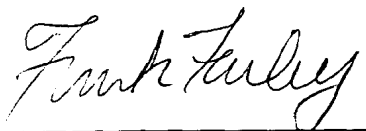
Political Contributions

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 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.

None.		
Signature: 	Title: <i>Managing Director</i> Company: <i>UBS Financial Services</i>	Date: <i>8/11/03</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.

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

(See Question 10)

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 Inc

Frank Furley
Signature of Principal:

A. Frank Furley
Printed Name of Principal:

Managing Director
Title of Principal