CITY OF COLLEGE STATION

BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

A. INSTRUCTIONS

In order for a firm to be consider or remain as a Broker/Dealer for the City of College Station, please follow the instructions listed below.

1. Complete each section of the questionnaire.
2. Do not leave any questions unanswered. If the question does not apply please mark it as N/A.
3. Return questionnaire by required due date. Questionnaires received after the due date will not be considered.
4. Provide all requested information.
5. All primary representatives must read the City's Investment Policy and signed the acknowledgement at the end of the questionnaire. The Investment Policy is located on the City's Website at: http://www.cstx.gov/index.aspx?page=2133
6. A Dealer Qualified Representative must sign the Texas Public Funds Investment Act Certification.
7. Submit the questionnaire and all required information to:

   Cheryl Wright, Accounting & Treasury Operations Manager
   City of College Station
   PO Box 9960
   College Station, Texas 77842

8. Contact Cheryl Wright at cwright@cstx.gov or (979) 764-3554 if you have any questions.

B. EVALUATION

Broker/Dealers are evaluated based on the answers given on this questionnaire. Responses will be evaluated based on the following criteria:

25%	Financial and technical ability of the firm to perform as a broker/dealer for the City, including City staff's evaluation of the firm's performance based on any previous work experience with the City of College Station.
25%	Qualifications and experience of the key personnel assigned to work with the City particularly as it related to their experience with similar public sector clients in Texas and their familiarity with the Texas Public Funds Investment Act via education through or participation in local government organizations in the State.
25%	Thoroughness of the response as it relates to providing broker/dealer services relevant to the City.
25%	References

Once the selection process is complete, a notification letter will be mailed to all firms who submitted a questionnaire.

C. BASIC INFORMATION

Name of Firm: _____

Firms CRD Number: _____

National Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

Years Established: _____ Number of Employees: _____

PRIMARY REPRESENTATIVE/MANAGER/PARTNER-IN-CHARGE

Primary Representative(s)

Name: _____ Title: _____
Local Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
Email Address: _____
CDR#: _____ Years with the Firm: _____

Will this person be trading with or quoting security offers to the City? _____
Has this person read the City's Investment Policy? _____

Name: _____ Title: _____
Local Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
Email Address: _____
CDR#: _____ Years with the Firm: _____

Will this person be trading with or quoting security offers to the City? _____
Has this person read the City's Investment Policy? _____

Manager/Partner-in-Charge

Name: _____ _____
Local Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
Email Address: _____
CDR#: _____ Years with the Firm: _____

Will this person be trading with or quoting security offers to the City? _____
Has this person read the City's Investment Policy? _____

NOTE: Please attach a resume for all individual's listed above.

D. SPECIFIC QUESTIONS

1. Is the firm a primary dealer in U.S. Government Securities? _____

   If yes, for how long has the firm been a primary dealer? _____

2. What was the firm's total volume in U.S. Government and Agency Securities last years?

   Firm wide:

   Dollar Amount: _____ Number of Transactions: _____

   Local Office:

   Dollar Amount: _____ Number of Transactions: _____

3. Which instruments are offered regularly by the firm's local desk?

☐ T-Bills ☐ Treasury ☐ Notes/Bonds ☐ Instrumentality's ☐ Commercial Paper

☐ Bank CDs ☐ S and L CDs ☐ ☐ BAs (Foreign)

☐ Other (Specify) _____ ☐ Agencies (Specify) _____

4. Have any of the firm's public-sector clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of the instrument? _____

   If yes, please explain.

5. In the past five years, has the firm or any of the employees ever been subject to a regulatory or state or federal agency investigation for alleged improper, fraudulent, disputable or unfair activities related to the sale of government securities or money market instruments?

   _____

   If yes, please explain.

6. Has the firm ever been temporarily closed or prohibited from trading due to net capital

   _____

   If yes, please explain.

7. The City of College Station's Investment Policy requires the use of delivery versus payment. Describe the firm's normal process, including a description of reports, transactions, confirmation schedules, timing, safekeeping arrangements and auditing procedures.

Note: Please attach the firm's Delivery Instructions.

8. Will the firm provide a faxed or electronic copy of the trade ticket, no later than one business day after the trade is executed? _____

The following information must be included:

a. Security Type and CUSIP Number
b. Issue Date, Maturity Date, Settlement Date, Trade Date, Call Date, Pay Date
c. Risk Class, Risk Factor
d. Rating
e. Coupon Rate
f. Par Value and Price

9. How many and what percentage of the firms transactions failed:

Last Month? _____ _____ %

Last Year? _____ _____ %

10. Describe any precautions taken by the firm to protect the interest of the public when dealing with government agencies as investors.

11. Does the firm give perfected security interest in securities under repurchase agreements?

_____

E. FINANCIAL INFORMTION

1. Have there been any changes in the firm's ownership in the past two years? _____
   If yes, please explain.

2. Has the firm received any federal aid (stimulus funds) in the past two years? _____
   If yes, please explain.

3. Does the firm consistently comply with the Federal Reserve Bank's capital adequacy guideline?
   _____

   Include certified documentation of your capital adequacy as measured by Federal Reserve standards.

4. Please provide **audited** financial statements for the most current year and other indicators regarding the firm's capitalization. Please do not use a website address to answer this question.

5. Please provide the following information for the most **current quarter** reports: (Note: Do not answer with "see financial report" as that will be construed as an unanswered question.)

a.Debt/Equity (in Pertcent) _____

b.Assets (in Millions) _____

c.Net Capital (in Millions) _____

d.Vol. of Security Transactions (in Millions) _____

e.Total Liabilities (in Millions) _____

f.Total Stockholders' Equity (in Millions) _____

6. Is the firm representing a parent corporation or a subsidiary of another corporation?
   _____
   If yes, please furnish audited financial statements on the firm's parent corporation as well as the firm's subsidiary.

7. Provide a description of the capital line and trading limits that support/limit the office that would conduct business with our government.

F. GENERAL INFORMATION AND QUESTIONS

1. Please describe any training the firm is willing and able to provide City staff, including examples of current training opportunities.

2. Please describe the level of involvement the firm has with local government organizations in Texas such as GFOAT and GTOT (e.g. participation as a speaker or attendee). Also indicate the numbers of years the firm has been involved with these or other local government organizations in Texas.

3. **Attach** a copy of the Financial Industry Regulatory Authority (FIRA) Broker Check Report for each local representative listed and a copy of the FIRA summary report for the firm.

4. **Attach** a copy of the firm's State of Texas Securities Commission Registration.

5. Does the firm participate in the Securities Investors Protection Corporation (S.I.P.C)? _____
   If not, explain:

6. Enclose a complete schedule of fees and charges for various transactions.

7. Please identify (at least five for each trader included on this questionnaire and certification) their most directly comparable public sector clients preferably in our geographical area.

Trader Name:_____

Entity	Contact Person	Telephone	Client Since
1.			
2.			
3.			
4.			
5.			

Trader Name:_____

Entity	Contact Person	Telephone	Client Since
1.			
2.			
3.			
4.			
5.			

G. CHECKLIST

Resume for all primary representatives and manager/partner-in-charge enclosed.
Delivery Instructions enclosed.
Certified documentation of your capital adequacy enclosed.
Audited financial statement enclosed. (Parent and subsidiary if applicable)
Current quarter financial statement enclosed.
Copy of the Firms Financial Industry Regulatory Authority Summary sheet enclosed.
Copy of the Financial Industry Regulatory Authority Broker Check Report for each representative listed enclosed.
Copy of the firm's State of Texas Securities Commission Registration enclosed.
Delivery Instructions enclosed.
Schedule of fees and charges enclosed.

INVESTMENT POLICY ACKNOWLEDGEMENT

Signature	Printed Name & Title
Signature	Printed Name & Title
Signature	Printed Name & Title

Texas Public Funds Investment Act

This certification is executed on behalf of the City of College Station (the Investor) and

_____(the Dealer) pursuant to the Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes Annotated (the Act) in connection with the investment transactions conducted between the Investor and Dealer.

The undersigned Qualified Representative of the Dealer hereby certifies on behalf of the Dealer that:

1. The Dealer Qualified Representative is duly authorized to execute this Certification on behalf of the Dealer, and
2. The Dealer Qualified Representative has received, read and understood the Investment Policy furnished by the Investor, and
3. The Dealer has implemented reasonable procedures and controls in an effort to preclude investment transaction conducted between the Dealer and the Investor that are not authorized by the investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

Dealer Qualified Representative

_____

Signature

_____

Printed Name & Title

_____

Date