

RESOLUTION TO ADOPT COUNTY INVESTMENT POLICY & FUND STRATEGIES,
AND APPOINT INVESTMENT OFFICER

STATE OF TEXAS }
 }
COUNTY OF COMAL }

COMAL COUNTY RESOLUTION #2016-33

ADOPTION OF 2017 COMAL COUNTY INVESTMENT POLICY & STRATEGIES,
INVESTMENT COMMITTEE AND APPOINTMENT OF AN INVESTMENT OFFICER

WHEREAS, the Texas Legislature set forth the Public Funds Investment Act in Government Code Section 2256, and

WHEREAS, compliance with the Public Funds Investment Act requires that each county adopt by resolution a County Investment Policy & Investment Strategies and appoint a County Investment Officer.

NOW, THEREFORE, BE IT RESOLVED, the Commissioners' Court of Comal County, in a regular meeting duly convened and acting in its capacity as the governing body of Comal County, hereby affirms the attached 2016 Comal County Investment Policy, setting forth its investment strategies by fund type and designating the Comal County Investment Committee, and hereby appointing the Comal County Treasurer, Renee L. Couch, as the Comal County Investment Officer to implement and carry out the stated investment policy.

IN WITNESS WHEREOF, we have hereunto set our hands and caused the great seal of Comal County to be affixed this 22nd day of December 2016.

Absent

SHERMAN KRAUSE, COUNTY JUDGE

Donna Eccleston

DONNA ECCLESTON

COMMISSIONER, PRECINCT #1

Scott Haag

SCOTT HAAG

COMMISSIONER, PRECINCT #2

Kevin Webb

KEVIN WEBB

COMMISSIONER, PRECINCT #3

Jen Crownover

JEN CROWNOVER

COMMISSIONER, PRECINCT #4

ATTEST:

Bobbie Koepf

BOBBIE KOEPP, COUNTY CLERK





Comal County

Investment Policy

2017

Revised December 14, 2016 by Comal County Investment Committee
Adopted December 22, 2016 by Comal County Commissioners Court

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I. INVESTMENT AUTHORITY AND SCOPE OF POLICY - 2016

A. General Statement

This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Chapter 2256 cited as the Public Funds Investment Act ("PFIA") to define and adopt a formal investment policy. See Attachment A: Resolution to Adopt Investment Policy. This policy will be reviewed and adopted by Resolution at least annually according to Govt. Code Section 2256.005(e).

B. Funds Included

This investment policy applies to all financial assets of all funds of Comal County, Texas at the present time, any funds to be created in the future, and any other funds held in custody by the Comal County Treasurer unless expressly prohibited by law or unless it is the contravene of any depository contract between Comal County and any depository bank as directed by Commissioner Court.

C. County's Investment Officer

In accordance with (IAW) Sec. 116.112(a), Local Government Code and/or Gov't Code Chapter 2256, Sec. 2256.005 (f) and (g), the Comal County Treasurer, under the direction of the Comal County Commissioners Court, may invest County funds that are not immediately required to pay obligations of the County. The commissioners' court shall designate by resolution one or more officers or employees as investment officer. See Attachment B. If the investment officer has a personal business relationship as defined by the PFIA with an entity—or is related with the second degree by affinity or consanguinity to an individual—seeking to sell and investment to the county, the investment officer must file a statement disclosing that personal business interest—or relationship—with the Texas Ethics Commission and the Comal County Commissioners Court IAW Government Code 2256.005 (i).

D. Comal County's Investment Committee

The Commissioner's Court will appoint a committee of experts to advise the court and the Comal County Treasurer on investment policy. All members of the committee will have a strong background in the financial industry. The County Treasurer will serve as the Chairman of the Investment Committee. The Committee will adhere to the following procedures:

1. On a monthly basis a member of the committee will inform the Comal County Commissioner's Court on the county's investment posture;
2. Annually the Investment Policy will be reaffirmed or updated to the Commissioners Court; and,
3. In making such reports and recommendations to the Court, the Committee shall be governed by the following guidelines
 - Investing by the Investment Officer is not to be viewed as a profit center, but rather, as the timely return of principal.
 - No mortgage-backed or collateralized mortgage obligations of any type will be permitted;
4. The Investment Officer will purchase securities only from brokers who meet the following requirements:
 - Approval by the Investment Committee
 - Those who have had a background check conducted by the National Association of Securities Dealers (NASD), which has been provided to and approved, by the Committee.

II. INVESTMENT OBJECTIVES

A. General Statement

Comal County funds will be invested in accordance with (IAW) federal and state laws, this investment policy and written administrative procedures. The County will invest according to investment strategies for each fund as are adopted by commissioners' court resolution IAW the PFIA, Section 2256 of the Texas Government Code.

B. Safety and Maintenance of Adequate Liquidity

Comal County is concerned about the return of its principal; *therefore, safety of principal is the primary objective in any investment transaction.* The County's investment portfolio must be structured in conformance with an asset/liability management plan that provides for liquidity necessary to pay obligations as they become due.

C. Diversification

It will be the policy of Comal County to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investments of the county shall always be selected that provide protection of principal, for stability of income and reasonable liquidity. No more than twenty-five percent (25%) of the funds as determined from the County's total available cash balance on November 30th will be invested in maturities of 24 to 36 months. The period from 24 to 36 months will be committed after the Commissioner's Court assures the Treasurer that the funds will not be needed during the term of investment. The remaining funds will be invested in maturities of up to 24 months.

D. Yield

It will be the objective of Comal County to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives, investment strategies for each fund, and state and federal law governing investment of public funds.

E. Maturity

Portfolio maturities will be structured to meet the obligations of the County first and then to achieve the highest return of interest. When the County has funds that will not be needed to meet current year obligations, maturity restraints will be imposed based upon the invest strategy for each fund. The maximum allowable stated maturity of any individual investment owned by the county is thirty-six (36) months. The County Treasurer will invest funds with maturities less than twenty-four (24) months and can invest funds, not to exceed a cumulative total of \$5,000,000.00, with maturities between 25 and 36 months. These investments will be brought to the attention of Commissioners' Court with the next month's Treasurer's Monthly Investment Report.

F. Quality and Capability of Investment Management

It is Comal County's policy to provide training required by the Public Funds Act, Sec. 2256.008 and periodic training in investments for the County Investment Officer through courses and seminars offered by professional organizations and associations in order to insure the quality, capability and currency of Comal County's Investment Officer in making investment decisions. The Investment Officer and his/her personnel will attend investment training within 12 months after taking office and have on file with the Texas Ethics Commission appropriate paperwork, if pertinent.

G. Investment Strategies

IAW the PFIA, Section 2256.005(d), a separate written investment strategy will be developed for each of the funds under Comal County's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities of importance:

- (1) Understanding of the suitability of the investment to the financial requirements of the entity;
- (2) Preservation and safety of principal;
- (3) Liquidity;
- (4) Marketability of the investment if the need arises to liquidate the investment before maturity;
- (5) Diversification of the investment portfolio;
- (6) Yield;

- (7) Maturity restrictions; and
- (8) Procedures to monitor rating changes

Attachment C includes investment strategies for all funds. IAW with the Public Funds Investment Act, Section 2256.005(e), investment strategies will be reviewed and adopted by resolution at least annually.

III. INVESTMENT TYPES

A. Authorized Investments:

The Comal County Investment Officer shall use any or all of the following authorized investment instruments consistent with governing laws and the PFIAs contained in Texas Government Code Section 2256;

- (1) Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
- (2) Direct obligations of this state or its agencies and instrumentalities;
- (3) Other obligations, the principal and interest which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and
- (4) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
- (5) Certificates of deposit and Share Certificates, are an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:
 - (a) Guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC") or its successor, or the National Credit Union Share Insurance Fund ("NCUSIF") or its successor; or
 - (b) Secured in any other manner and amount provided by law for deposits of the county.
- (6) In addition to the authority to invest funds in certificates of deposit as detailed in (5) above, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment if:
 - (a) the funds are invested by the county through a depository institution that has its main office or a branch office in Texas and that is selected by Comal County;
 - (b) the depository institution selected by the county arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of Comal County;
 - (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States;
 - (d) the depository institution selected by the county acts as custodian for the county with respect to the certificates of deposit issued for the account of Comal County; and
 - (e) at the same time that the funds are deposited and the certificates of deposit are issued for the account of the county, the depository institution selected by the county receives an amount of deposits from customers or other federally insured depository institutions, wherever located, that is equal to or greater than the amount of the funds invested by the county through the depository institution selected.

(7) A fully collateralized repurchase agreement, as defined in the Public Funds Investment Act, if it:

(a) Has a defined termination date;

(b) Is secured by obligations described by Section 2256.009(a)(1) of the Public Funds Investment Act: and

(c) Requires the securities being purchased by the county to be pledged to the county, held in the county's name, and deposited at the time the investment is made with the county or with a third party selected and approved by the county; and

(d) Is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

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

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

(8) A bankers' acceptance if it:

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

(9) MUTUAL FUNDS AND MONEY MARKET FUNDS with limitations as described below:

(a) NO-LOAD MONEY MARKET MUTUAL FUND is authorized if it:

1. Is registered with and regulated by the Securities and Exchange Commission;
2. Has a dollar-weighted average stated maturity of 90 days or fewer;
3. Includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share; AND,
4. Provides Investment Officer with an annual prospectus IAW Section 2256.014.

AND

(b) NO-LOAD MUTUAL FUND is authorized if it:

1. Is registered with the Securities and Exchange Commission;
2. Has an average weighted maturity of less than two years;
3. Is invested exclusively in obligation approved by this subchapter;
4. Is continuously rated as to investment quality by at least one national recognized investment rating firm of not less than AAA or its equivalent; AND
5. Conforms to the requirements set forth in PFIA Sections 2256.016 (b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities such as Comal County.

(10) AUTHORIZED INVESTMENTS: INVESTMENT POOLS.

(a) An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter.

(b) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:

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

(c) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:

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

(d) An entity by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

(e) In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

(f) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

(g) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed:

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

(h) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

B. PROHIBITED INVESTMENTS:

The Comal County Investment Officer will not invest in funds of any type or form of collateralized mortgage obligation of any description.

IV. INVESTMENT RESPONSIBILITY AND CONTROL

A. Investment Institutions Defined

The Comal County Investment Officer shall invest County funds with any or all of the following institutions or groups consistent with federal and state law and the current Depository Bank contract:

1. Depository bank;
2. Other state or national banks or credit unions, or branches thereof, domiciled in Texas that are insured by the FDIC or NCUSIF, or their successors;
3. Government securities broker and dealers.

B. Qualifications for Approval of Broker/Dealers

IAW PFIA Section 2256.005(k), a written copy of this investment policy shall be presented to any person offering to engage an investment transaction with Comal County. The qualified representative of the business organization offering to engage in a investment transaction with Comal County shall execute a written instrument substantially to the effect that the business organization has;

1. Received and thoroughly reviewed the investment policy of Comal County;
2. Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities IAW the current Comal County Investment Policy arising out investment transactions conducted between Comal County and the organization; and
3. IAW PFIA Section 2256.025 the broker must be deemed by the Comal County Investment Committee as qualified and authorized to engage in investment transactions with Comal County.

The investment officer may not buy securities from a person who has not delivered to the county an instrument in substantially the form provided in Attachment D and IAW PFIA Section 2256.005(1).

B. Standards of Operation: The County Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program consistent with this investment policy.

C. Delivery vs. Payment: IAW Gov't Code Sec. 2256.005(b)(4)(e), it will be the policy of Comal County that all Treasury Bills, Notes and Bonds and Government Agencies' securities shall be purchased using the "Delivery vs. Payment" (DVP) method through the Federal Reserve System. By so doing, County funds are not released until the County has received, through the Federal Reserve wire, the securities purchased.

D. Audit Control: The Comal County Investment Officer will establish liaison with the Comal County Auditor in preparing investment forms to assist the County Auditor for accounting and auditing control. The Investment Officer is subject to audit by the Comal County Auditor. In addition, the Comal County Commissioners Court, at a minimum, will have an annual financial audit of all County funds by an independent auditing firm, as well as an annual compliance audit of management controls on investments and adherence to the entity's established investment policies in accordance with PFIA Section 2256.005(m).

E. Standard of Care:

1. IAW with PFIA Section 2256.006, investments shall be made with judgment and care, under prevailing circumstance, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal, liquidity, and yield.
2. In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:
 - a. the investment of all funds, or funds under the county's control, over which the officer has the responsibility rather than a consideration as to the prudence of a single investment; and
 - b. whether the investment decision was consistent with the written investment policy of Comal County .

V. INVESTMENT REPORTING AND PERFORMANCE EVALUATION

A. Quarterly Report

IAW with PFIA Section 2256.023, not less than quarterly, the investment officer shall prepare and submit to the Commissioners Court a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must

1. Describe in detail the investment position of the county on the date of the report;
2. Be prepared by the investment officer of the county;
3. Be signed by the investment officer of the county;
4. Contain a summary statement of each pooled fund group that states the:
 - Beginning market value for the reporting period;
 - Additions and changes to the market value during the reporting period;
 - Ending market value for the reporting period; and,
 - Fully accrued interest for the reporting period.
5. State the book value and market value of each separately invested asset at the beginning and the end of the reporting period by the type of asset and fund type invested.

6. State the maturity date of each separately invested assets that have a maturity date;
7. State the account or fund or pooled group fund in the county for which each individual investment was acquired; and
8. State the compliance of the investment portfolio of the county as it relates to:
 - The investment strategy expressed in the county's investment policy; and,
 - Relevant provisions of the PFIA.

B. Methods to Monitor Market Value:

The County Investment officer will obtain the market value for each security held in all portfolios at least on a monthly basis. On a monthly basis the collateral pledged to Comal County for bank deposits shall be valued from recognized market pricing sources.

C. Notification of Investment Changes

It shall be the duty of the County Investment Officer of Comal County, Texas to notify the Comal County Commissioners Court of any significant changes in current investment methods and procedures prior to their implementation, regardless of whether they are authorized by this policy.

VI. INVESTMENT COLLATERAL AND SAFEKEEPING

A. Collateral or Insurance

The Comal County Investment Officer shall insure that all county funds are fully collateralized or insured consistent with federal and state laws and the current Bank Depository Contract in one or more of the following manners;

1. FDIC insurance coverage
2. Obligations of the United States or its agencies and instrumentalities.

B. Safekeeping

1. All purchased securities shall be held in safekeeping by the County, or a County account in a third party financial institution, or with the Federal Reserve Bank.
2. All certificates of deposit, insured by the FDIC, or share certificates, insured by the NCUSIF, purchased outside the Depository Bank shall be held in safekeeping by the County or a County account in a third party financial institution.
3. All pledged securities by the Depository Bank shall be held in safekeeping by the Comal County or with a Federal Reserve Bank.

Attachment A:

**RESOLUTION TO ADOPT COUNTY INVESTMENT POLICY & FUND STRATEGIES,
AND APPOINT INVESTMENT OFFICER**

STATE OF TEXAS }
 }
COUNTY OF COMAL }

COMAL COUNTY RESOLUTION #2016-33

**ADOPTION OF 2017 COMAL COUNTY INVESTMENT POLICY & STRATEGIES,
INVESTMENT COMMITTEE AND APPOINTMENT OF AN INVESTMENT OFFICER**

WHEREAS, the Texas Legislature set forth the Public Funds Investment Act in Government Code Section 2256, and

WHEREAS, compliance with the Public Funds Investment Act requires that each county adopt by resolution a County Investment Policy & Investment Strategies and appoint a County Investment Officer.

NOW, THEREFORE, BE IT RESOLVED, the Commissioners' Court of Comal County, in a regular meeting duly convened and acting in its capacity as the governing body of Comal County, hereby affirms the attached 2016 Comal County Investment Policy, setting forth its investment strategies by fund type and designating the Comal County Investment Committee, and hereby appointing the Comal County Treasurer, Renee L. Couch, as the Comal County Investment Officer to implement and carry out the stated investment policy.

IN WITNESS WHEREOF, we have hereunto set our hands and caused the great seal of Comal County to be affixed this 22nd day of December 2016.

SHERMAN KRAUSE, COUNTY JUDGE

DONNA ECCLESTON
COMMISSIONER, PRECINCT #1

SCOTT HAAG
COMMISSIONER, PRECINCT #2

KEVIN WEBB
COMMISSIONER, PRECINCT #3

JEN CROWNOVER
COMMISSIONER, PRECINCT #4

ATTEST:

BOBBIE KOEPP, COUNTY CLERK

Attachment B:

APPOINTMENT TO COMAL COUNTY INVESTMENT POLICY COMMITTEE 2016

Mrs. Renee L. Couch, Chair
Comal County Treasurer
150 N. Seguin Ave, #213
New Braunfels, TX 78130

Ms. Mary Ayala, Secretary
Comal County Treasurer's Office
150 N. Seguin Ave, #213
New Braunfels, TX 78130

Mr. Michael Mullins, CPA
Mullins & Timmerman PC
1527 Common Street
New Braunfels, TX 78130

Mrs. Jen Crownover
Comal County Commissioner
100 Main Plaza
New Braunfels, TX 78130

Mrs. Jessie Rahe
Comal County Interim Auditor
150 N. Seguin Ave, #201
New Braunfels, TX 78130

Mr. Larry Hammonds
Frost Bank
315 Landa Street
New Braunfels, TX 78130

Mr. Charles E. Teeter
Capital West Securities
259 N. Seguin Ave.
New Braunfels, TX 78130

Mr. Scott Haag
Comal County Commissioner
100 Main Plaza
New Braunfels, TX 78130

Mr. Duane Westerman
SAMCO Capital Markets, Inc
8700 Crown Hill Blvd, #601
San Antonio, TX 78209

Mr. Mark Long
First Commercial Bank
1336 East Court Street
Seguin, TX 78155

Mr. Barry Williams
Prosperity Bank
401 Main Plaza
New Braunfels, TX 78130

Attachment D:

SECURITIES BROKER/DEALER ACKNOWLEDGMENT & CERTIFICATION

I hereby certify that I have received and thoroughly reviewed the current investment policy of Comal County. I have implemented reasonable procedures and controls designed to preclude imprudent investment activities arising out of investment transactions conducted between this firm and Comal County. Further, transactions between this firm and Comal County will be directed toward protecting Comal County from credit and market risk in accordance with the Comal County 2017 Investment Policy.

All sales personnel of this firm dealing the Comal County account have been informed and will be routinely informed of Comal County's investment horizons, limitations, strategy and risk constraints, whenever we are so informed.

This firm pledges due diligence in informing Comal County of foreseeable risks associated with financial transactions connected to this firm, and that it is authorized to engage in investment transactions in the state of Texas.

Firm

Name

Title

Signature of Registered Principal

Date

Financial Industry Regulatory agency (FINRA) Number

**Attachment E:
LIST OF APPROVED BROKERS 2017:**

Cody Hundley or Successor
Frost Bank/Frost Brokerage Securities, Inc.
100 W. Houston Street
San Antonio, TX 78205
(210) 220-6156

Monte Marshall
Vining-Sparks IBG, L.P.
6351 Preston Road, Suite 225
Frisco, TX 75034
(214) 451-5830

Robert L. "Bob" Ross
Funds Mgmt. Group, Inc
4900 Woodway, Suite 545
Houston, TX 77056
(713) 626-5741