CERTIFICATE FOR ORDINANCE

I, the undersigned City Clerk of the City of San Antonio, Texas (the "City"), hereby certify as follows:

1. The City Council of the City (the "Council") convened in regular session, open to the public, on June 19, 2014 (the "Meeting"), at the designated meeting place, and the roll was called of the duly constituted officers and members of said Council, to wit:

Julián Castro, Mayor
Diego M. Bernal, Councilmember
Ivy R. Taylor, Councilmember
Rebecca J. Viagran, Councilmember
Rey Saldaña, Councilmember
Shirley Gonzales, Councilmember
Ray Lopez, Councilmember
Cris Medina, Councilmember
Ron Nirenberg, Councilmember
Joe Krier, Councilmember
Mike Gallagher, Councilmember

and all of said persons were present, except NONE thus constituting a quorum. Whereupon among other business, the following was transacted at the Meeting: a written Ordinance No. 2014-06-19-0474 entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF $1,400,000 "CITY OF SAN ANTONIO, TEXAS TAX NOTES, SERIES 2014" (THE "2014 NOTES") AND LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE 2014 NOTES; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE 2014 NOTES; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE AND INVESTMENT LETTER; AND PROVIDING FOR AN EFFECTIVE DATE.

(the "Ordinance") was duly introduced for the consideration of the Council. It was then duly moved and seconded that the Ordinance be finally passed and adopted in accordance with the City's Home Rule Charter; and after due discussion, such motion, carrying with it the adoption of the Ordinance prevailed and carried by the following vote:

YES: 11 NOES: Ø ABSTENTIONS: Ø

2. A true, full, and correct copy of the Ordinance adopted at the Meeting is attached to and follows this Certificate; the Ordinance has been duly recorded in the Council's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Council's minutes of the Meeting pertaining to the adoption of the Ordinance; the persons named in the above and foregoing paragraph are duly chosen, qualified, and acting officers and members of the Council as indicated therein; each of the officers and members of the Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Ordinance would be introduced and considered for adoption at the Meeting and each of such officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED the 19th day of June, 2014.

(CITY SEAL)

City Clerk, City of San Antonio, Texas

SIGNATURE PAGE TO CERTIFICATE OF ORDINANCE

ORDINANCE NO. 2014-06-19- 0474

AN ORDINANCE AUTHORIZING THE ISSUANCE OF $1,400,000 "CITY OF SAN ANTONIO, TEXAS TAX NOTES, SERIES 2014" (THE "2014 NOTES") AND LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE 2014 NOTES; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE 2014 NOTES; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE AND INVESTMENT LETTER; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to the provisions of Chapter 1431, as amended, Texas Government Code (the "Act"), the City Council of the City of San Antonio, Texas (the "City") is authorized and empowered to issue anticipation notes to pay contractual obligations incurred or to be incurred for the construction of any public works; for the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of-way for the City's authorized needs and purposes; and for professional services, including services provided by tax appraisal engineers, engineers, architects, attorneys, auditors, mapmakers, financial advisors, and fiscal agents;

WHEREAS, in accordance with the provisions of the Act, the City hereby finds and determines that anticipation notes should be issued and sold at this time for the purposes described in Section 1 below; and

WHEREAS, the City hereby finds and determines that the issuance of anticipation notes is in the best interests of the citizens of the City, now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS THAT:

SECTION 1. Authorization; Designation; Principal Amount; Purpose. The anticipation notes of the City shall be and are hereby authorized to be issued and bear the title of "CITY OF SAN ANTONIO, TEXAS TAX NOTES, SERIES 2014 (the "Notes"), for the purpose of providing funds for street improvements (the "Projects") and the payment of costs of various professional services necessary for and related to the design and installation of the Projects, including (but not limited to) the costs of necessary consultants, advisors, and designers and/or engineers; and the payment of various administrative costs, including the fees of bond counsel, co-financial advisors, and other professionals. The Notes are being issued pursuant to the authority conferred by and in conformity with the laws of the State of Texas, particularly the Act, the Home Rule Charter of the City, and this ordinance adopted by the City Council of the City (the "City Council") on June 19, 2014.

SECTION 2. Fully Registered Obligations; Authorized Denominations; Stated Maturities; Interest Rates; Dated Date. The Notes are issuable in fully registered form only; shall be dated July 1, 2014 (the "Dated Date") and shall be in denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000, and the Notes shall become due and payable on February 1 in each of the years and in principal amount (the "Stated Maturities") and bear interest on the unpaid principal amounts from the date of initial delivery (the "Delivery Date"), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rates, while Outstanding (hereinafter defined), in accordance with the following schedule:

Maturity Date (February 1)	Stated Maturity ($)	Interest Rate (%)
2015	180,000	1.80
2016	190,000	1.80
2017	195,000	1.80
2018	200,000	1.80
2019	205,000	1.80
2020	210,000	1.80
2021	220,000	1.80

SECTION 3. Payment of Notes; Paying Agent/Registrar. The principal of and interest on the Notes, due and payable by reason of Stated Maturity or otherwise, shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and such payment of principal and interest on the Notes shall be without exchange or collection charges to the Owner (hereinafter defined) of the Notes.

The Notes shall bear interest at the per annum rates established in Section 2 hereof, computed on the basis of a 360-day year of twelve 30-day months, and interest thereon shall be payable semiannually on February 1 and August 1 of each year (the "Interest Payment Dates") commencing February 1, 2015, while the Notes are Outstanding.

The selection and appointment of BOKF, NA dba Bank of Texas, Houston, Texas to serve as the initial Paying Agent/Registrar for the Notes is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the corporate trust or other office of the Paying Agent/Registrar books and records (the "Security Register") for the registration, payment, and transfer of the Notes, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached, in substantially final form, as Exhibit "A" hereto, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The City covenants to maintain and provide a Paying Agent/Registrar at all times while the Notes are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and authorized by law to serve as a Paying Agent/Registrar.

The City reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the City agrees to promptly cause a written notice of this substitution to be sent to each registered owner of the Notes (the "Owner" or "Owners") by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Both principal of and interest on the Notes, due and payable by reason of Stated Maturity, or otherwise, shall be payable only to the Owner appearing on the Security Register (hereinafter defined) maintained on behalf of the City by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest on the Notes, (ii) for purposes of receiving payment of principal thereof upon redemption of the Notes or at the Notes' Stated Maturity, and (iii) on any date for any other purpose. The City and the Paying Agent/Registrar, and any agent of either, shall treat the Owner as the owner of a Note for purposes of receiving payment and all other purposes

whatsoever, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of the Notes shall be payable to the Owner by the Paying Agent/Registrar at its corporate trust office. Interest on the Notes shall be paid to the Owner whose name appears in the Security Register at the close of business on the 15th calendar day of the month next preceding an Interest Payment Date for the Notes (the "Record Date") and shall be paid (i) by check sent by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Owner appearing in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Owner at the Owner's risk and expense.

If the date for the payment of the principal of or interest on the Notes shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Notes was due.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" - which shall be 15 calendar days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Owner of a Note appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4. Right of Prior Redemption. (a) Optional Redemption. The City reserves the right to redeem the Notes maturing on or after February 1, 2018, in whole or in part in principal amount of $5,000 or an integral multiple thereof, on February 1, 2017, or any date thereafter, at the redemption price of par plus interest accrued to the specific date of redemption, and shall direct the Paying Agent/Registrar to call by lot Notes, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption.

(b) Notice of Redemption. Notice of any redemption shall be given as provided in the FORM OF NOTES included in Section 8 hereof. If such notice of redemption is given, and if due provision for such payment is made, the Notes, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as being outstanding except for the right of the Owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Register all such redemptions of principal of the Notes or any portion thereof. By the date fixed for any such redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for the Notes, or the portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given and if due provision for such payment is made, all as provided above, the Notes, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities and shall not bear interest after the date fixed for their redemption and shall not be regarded as being outstanding except for the right of the Owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such

payment. If a portion of any Note shall be redeemed, a substitute Note or Notes having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon the surrender thereof for cancellation, at the expense of the City all as provided in this Ordinance.

SECTION 5. Execution; Registration. The Notes shall be executed on behalf of the City by its Mayor under its seal reproduced or impressed thereon and attested by its City Clerk. The signature of any of said officers on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signatures of individuals who were, at the time of the Delivery Date, the proper officers of the City shall bind the City, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Notes to the Purchaser, all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Note either a certificate of registration substantially in the form provided in Section 8(c), executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature for the Initial Note only (defined below), or a certificate of registration substantially in the form provided in Section 8(d), executed by the Paying Agent/Registrar by manual signature for the definitive Notes, and either such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly certified or registered and delivered.

SECTION 6. Registration; Transfer; Exchange of Notes; Predecessor Notes. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of every Owner of the Notes, or, if appropriate, the nominee thereof. Any Note may, in accordance with its terms and the terms hereof, be transferred or exchanged for Notes of other authorized denominations upon the Security Register by the Owner, in person or by his duly authorized agent, upon surrender of such Note to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Owner or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Note at the corporate trust office of the Paying Agent/Registrar, the City shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Notes of authorized denomination and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Note or Notes surrendered for transfer.

At the option of the Owner, Notes may be exchanged for other Notes of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Notes surrendered for exchange upon surrender of the Notes to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Notes are so surrendered for exchange, the City shall execute, and the Paying Agent/Registrar shall register and deliver, the Notes to the Owner requesting the exchange.

All Notes issued upon any transfer or exchange of Notes shall be delivered at the corporate trust or other office of the Paying Agent/Registrar, or be sent by registered mail to the Owner at its request, risk, and expense, and upon the delivery thereof, the same shall be the valid and binding obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Notes surrendered upon such transfer or exchange.

All transfers or exchanges of Notes pursuant to this Section shall be made without expense or service charge to the Owner, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Owner requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Notes canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Notes", evidencing all or a portion, as the case may be, of the same debt evidenced by the new Note or Notes registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Notes shall include any Note registered and delivered pursuant to Section 17 in lieu of a mutilated, lost, destroyed, or stolen Note which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Note.

SECTION 7. Initial Note. The Notes herein authorized shall be initially issued as a single fully registered Note in the aggregate principal amount of $1,400,000 with principal installments to become due and payable as provided in Section 2 hereof and numbered I-1 (the "Initial Note"), and the Initial Note shall be registered in the name of the Purchaser or the designee thereof. The Initial Note shall be submitted to the Office of the Attorney General of the State of Texas (the "Attorney General") for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas (the "Comptroller"), and delivered to the Purchaser. Any time after the delivery of the Initial Note, the Paying Agent/Registrar, pursuant to written instructions from the Purchaser, or the designee thereof, shall cancel the Initial Note delivered hereunder and exchange therefor definitive Notes of like kind and of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Owners named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchaser, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8. Forms. (a). Forms Generally. The Notes, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Notes shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters and, numbers thereon as may, consistent herewith, be established by the City or determined by the officers executing the Notes as evidenced by their execution thereof. Any portion of the text of any Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

The definitive Notes shall be printed, lithographed, or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing the Notes as evidenced by their execution thereof, but the Initial Note submitted to the Attorney General may be typewritten or photocopied or otherwise reproduced.

(b). Form of Definitive Note.

REGISTERED
NO. R-____

REGISTERED
PRINCIPAL AMOUNT
$_____

United States of America
State of Texas
CITY OF SAN ANTONIO, TEXAS
TAX NOTE, SERIES 2014

DATED DATE	MATURITY DATE	INTEREST RATE
JULY 1, 2014		%

REGISTERED OWNER:

PRINCIPAL AMOUNT: [Minimum of $100,000 with integrals of $5,000 in excess of $100,000]
($_____)

THE CITY OF SAN ANTONIO, TEXAS (the "City"), a body corporate and a municipal corporation, and home-rule city for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof (the "Owner"), on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the date of initial delivery or from the most recent interest payment date to which interest has been paid or duly provided for until such Principal Amount has become due and payment thereof has been made or duly provided for, to Stated Maturity, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months, such interest being payable on February 1 and August 1 of each year commencing February 1, 2015.

PRINCIPAL ON THIS NOTE shall be payable to the Owner by the Paying Agent/Registrar, executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Owner of this Note (or one or more Predecessor Notes, as defined in the Ordinance hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the 15th calendar day of the month next preceding each interest payment date. All payments of principal of and interest on this Note shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on the appropriate date of payment by United States mail, first-class postage prepaid, to the Owner hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Owner hereof at the Owner's risk and expense.

THIS NOTE is one of the series specified in its title issued in the aggregate principal amount of $1,400,000 (the Notes) pursuant to an ordinance adopted by the governing body of the City (the "Ordinance"), for the purpose of providing funds for street improvements and the payment of costs of various professional services necessary for and related to the design and installation of the Projects, including (but not limited to) the costs of necessary consultants, advisors, and designers and/or engineers; and the payment of various administrative costs, including the fees of bond counsel, co-financial advisors,

and other professionals. The Notes are being issued pursuant to the authority conferred by and in conformity with the laws of the State of Texas, particularly Chapter 1431, Texas Government Code; the Home Rule Charter of the City; and the Ordinance adopted by the City Council of the City on June 19, 2014 (the "Ordinance").

THE NOTES of this series scheduled to mature on and after February 1, 2018 may be redeemed prior to their scheduled maturities, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, at the option of the City, on February 1, 2017, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

NOTICE OF REDEMPTION shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the Owner of each Note, or portion thereof to be redeemed, at its address as it appeared on the Registration Books on the 45th day prior to such redemption date; provided, however, that the failure to send, mail, or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Note. By the date fixed for any such redemption, due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Note or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Note, or the portion thereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the Owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/ Registrar shall record in the Registration Books all such redemptions of principal of this Note or any portion hereof. If a portion of any Note shall be redeemed, a substitute Note or Notes having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

REFERENCE IS HEREBY MADE to the Ordinance, a copy of which is on file in the corporate trust or other office of the Paying Agent/Registrar, and to all of the provisions of which the Owner by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Notes; the terms and conditions relating to the transfer or exchange of the Notes; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Owners; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Note may be discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance. Capitalized terms used herein have the same meanings assigned in the Ordinance.

THIS NOTE may be transferred on the Security Register upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Owner hereof, or his duly authorized agent, and thereupon one or more new fully registered Notes of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

THE CITY AND THE PAYING AGENT/REGISTRAR, and any agent of either of them, shall treat the Owner hereof whose name appears on the Security Register (i) on the Record Date as the Owner for purposes of receiving payment of interest hereon, (ii) on the date of payment of principal hereof at its Stated Maturity, and (iii) on any date as the owner hereof for all other purposes, and neither the City nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a Special Record Date) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the Special Payment Date - which shall be 15 calendar days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Owner appearing on the Security Register at the close of business on the 15th business day next preceding the date of mailing of such notice.

IT IS HEREBY CERTIFIED, COVENANTED, AND REPRESENTED that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Note in order to render the same a legal, valid, and binding obligation of the City have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the Notes does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Notes by the levy of a tax as described below. The Notes of this series are payable from the proceeds of an annual ad valorem tax levied upon all taxable property within the City and the limitations prescribed by law. In case any provision in this Note or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Note and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City has caused this Note to be duly executed under its official seal.

CITY OF SAN ANTONIO, TEXAS

ATTEST:

_____
Mayor

_____
City Clerk

(CITY SEAL)

* * *

(c). Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Note Only

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO._____

I hereby certify that this Note has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

(COMPTROLLER'S SEAL)

_____
Comptroller of Public Accounts
of the State of Texas

(d). Form of Certificate of Paying Agent/Registrar to Appear on Definitive Notes Only

CERTIFICATE OF PAYING AGENT/REGISTRAR

This Note has been duly issued under the provisions of the within-mentioned Ordinance; the Note or Notes of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: _____

BOKF, NA dba Bank of Texas
Houston, Texas
as Paying Agent/Registrar

By: _____
Authorized Signature

* * *

(e). Form of Assignment

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

_____
/_____ /_____
(Please insert Social Security or Taxpayer Identification No. of Transferee) (Please print name and address, including zip code, of Transferee)

_____

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to register the transfer of the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____	_____
NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.	NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Note in every particular, without alteration or enlargement or any change whatsoever.

The following abbreviations, when used in the Assignment above or on the face of the within Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UNIF GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the list above.

* * *

(f). Form of Initial Note. The Initial Note shall be in the form set forth in paragraph (b) of this Section, except that the following shall replace the heading and first two paragraphs:

United States of America
State of Texas

NUMBER	AMOUNT
I-1	$1,400,000
REGISTERED	REGISTERED

CITY OF SAN ANTONIO, TEXAS
TAX NOTE, SERIES 2014

Dated Date: JULY 1, 2014

Registered Owner: BOKF, NA DBA BANK OF TEXAS

Principal Amount: ONE MILLION FOUR HUNDRED THOUSAND DOLLARS AND NO/100 ($1,400,000)

THE CITY OF SAN ANTONIO, TEXAS (the "City"), a body corporate and municipal corporation, and home-rule city for value received, acknowledges itself indebted to and hereby promises

to pay to the order of the Registered Owner named above (the "Owner"), or the registered assigns thereof, the Principal Amount specified above in principal amounts and interest at per annum rates in accordance with the following schedule:

(Information to be inserted from Section 2.)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the date of initial delivery or from the most recent interest payment date to which interest has been paid or duly provided for until the Principal Amount has become due and payment thereof has been made or duly provided for, at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 of each year, commencing February 1, 2015.

PRINCIPAL ON THIS NOTE shall be payable to the Owner by the Paying Agent/Registrar , at the office of BOKF, NA dba Bank of Texas, Houston, Texas (the "Paying Agent/Registrar"). Interest shall be payable to the Owner of this Note whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the 15th calendar day of the month next preceding each interest payment date. All payments of principal of and interest on this Note shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Owner hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Owner hereof.

* * *

[END OF FORMS]

SECTION 9. Definitions. For all purposes of this Ordinance (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Sections 19 and 37 of this Ordinance have the meanings assigned to them in such Sections, and all such terms include the plural as well as the singular; (ii) the definitions are in addition to the terms defined elsewhere in this Ordinance; (iii) all references in this Ordinance to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted; and (iv) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

"Authorized Official" means the Mayor, the City Clerk, the City Manager, or the Chief Financial Officer, or the Finance Director.

"Debt Service Requirement" means, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

"Delivery Date" means the date of physical delivery of the Initial Note in exchange for the payment in full by the Purchaser.

"Depository" means an official depository bank of the City.

"Government Securities" means (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent.

"Note Fund" means the special Fund created and established by the provisions of Section 10 of this Ordinance.

"Outstanding" means when used in this Ordinance with respect to Notes shall mean, as of the date of determination, all Notes issued and delivered under this Ordinance, except: (a) those Notes canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation; (b) those Notes for which payment has been duly provided by the City in accordance with the provisions of Section 21 of this Ordinance; and (c) those Notes that have been mutilated, destroyed, lost, or stolen and replacement Notes have been registered and delivered in lieu thereof as provided in Section 17 of this Ordinance.

"Owner or Owners" means the registered owner, whose name appears in the Security Register, for any Note.

"Purchaser" means the initial purchaser of the Notes named in Section 18 of this Ordinance.

"Series 2014A Notes" means the "City of San Antonio, Texas Tax Notes, Series 2014A" in the principal amount of $17,740,000.

"Stated Maturity" means the annual principal payments of the Notes payable on February 1 of each year, as set forth in Section 2 of this Ordinance.

SECTION 10. Creation of Funds. (a) Note Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment and retirement of the Notes, there shall be and is hereby created a special Fund to be designated "TAX NOTES, SERIES 2014, INTEREST AND SINKING FUND" (the "Note Fund"), which Fund shall be kept and maintained at the Depository, and money deposited in such Fund shall be used for no other purpose and shall be maintained as provided in Section 19. Authorized Officials are hereby authorized and directed to make withdrawals from the Note Fund sufficient to pay the principal of and interest on the Notes as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Note Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Notes, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be

deposited with the Paying Agent/Registrar on or before the business day next preceding each interest and principal payment date for the Notes.

(b) Project Fund. There is hereby created, established, and confirmed on the books of the City, and accounted for separate and apart from all other funds of the City, a separate fund designated as the "City of San Antonio, Texas Tax Notes Fund" (the "Project Fund"). Proceeds from the sale of the Notes, other than accrued interest, capitalized interest, and moneys, if any, for deposit to the credit of the Interest and Sinking Fund, shall be deposited to the credit of the Project Fund for use by the City for payment of all lawful costs associated with the Project, and costs of issuance of the Notes. Upon payment of all such costs, any moneys remaining on deposit in the Project Fund shall be transferred to the Interest and Sinking Fund.

(c) Investment. Money in any Fund established by this Ordinance, at the option of the City, may be placed in time deposits, certificates of deposit, guaranteed investment contracts, or similar contractual agreements, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such Fund will be available at the proper time or times. All interest and income derived from deposits and investments in such Fund shall be credited, and any losses debited, to such Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Notes.

SECTION 11. Tax Levy. To provide for the payment of the Debt Service Requirements on the Notes being (i) the interest on the Notes and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Notes or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each one hundred dollars' valuation of taxable property in the City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Note Fund and are thereafter pledged to the payment of the Notes. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay such Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness and other obligations of the City.

SECTION 12. Deposits to Note Fund; Excess Note Proceeds. The City hereby covenants and agrees to cause to be deposited in the Note Fund prior to a principal and interest payment date for the Notes, from the annual levy of an ad valorem tax or from other lawfully available funds, amounts

sufficient to fully pay and discharge promptly each installment of interest and principal of the Notes as the same accrues or matures or comes due by reason of Stated Maturity.

Accrued interest, if any, received from the Purchaser of the Notes shall be deposited to the Note Fund. In addition, any surplus proceeds from the sale of the Notes, including investment income thereon, not expended for authorized purposes, as described in Section 1 hereof, shall be deposited in the Note Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes.

SECTION 13. Security of Funds. All money on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and money on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 14. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Note Fund or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Owners of any of the Notes shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 15. Notices to Owners; Waiver. Wherever this Ordinance provides for notice to Owners of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class postage prepaid, to the address of each Owner as it appears in the Security Register.

In any case where notice to Owners is given by mail, neither the failure to mail such notice to any particular Owners, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Owners. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Owner entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 16. Cancellation. All Notes surrendered for transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Notes previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Notes held by the Paying Agent/Registrar shall be destroyed as directed by the City.

SECTION 17. Mutilated, Destroyed, Lost, and Stolen Notes. If (1) any mutilated Note is surrendered to the Paying Agent/Registrar, or the City and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Note, and (2) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Note has been acquired by a bona fide purchaser, the City shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Note, a new Note of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost, or stolen Note has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Note, pay such Note.

Upon the issuance of any new Note or payment in lieu thereof, under this Section, the City may require payment by the Owner of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Note shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Notes.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Notes.

SECTION 18. Sale of the Notes; Authorization of Purchase and Investment Letter; Use of Proceeds; Approval of Placement Agent Agreement. (a) The Notes authorized by this Ordinance are hereby sold by the City to BOKF, NA dba Bank of Texas (the "Purchaser"), in accordance with the bid accepted by the City, attached hereto as Exhibit B, and the provisions of a Purchase and Investment Letter (the "Purchase and Investment Letter"), attached hereto as Exhibit C and incorporated herein by reference as a part of this Ordinance for all purposes. The pricing and terms of the sale of the Notes are hereby found and determined to be the most advantageous reasonably obtainable by the City. The Initial Note shall be registered in the name of the Purchaser. Each Authorized Official is hereby authorized and directed to execute the Purchase and Investment Letter for and on behalf of the City and as the act and deed of the City Council and in regard to the approval and execution of the Purchase and Investment Letter, the City Council hereby finds, determines, and declares that the representations, warranties, and agreements of the City contained in the Purchase and Investment Letter are true and correct in all material respects and shall be honored and performed by the City. Delivery of the Notes shall be made to the Purchaser as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of the Purchase and Investment Letter.

Proceeds from the sale of the Notes (after paying costs of issuance and Purchaser's compensation) shall be deposited into the Project Fund. This Project Fund shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance. Interest earned on the Project Fund pending completion of construction or acquisition of the Projects shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 12 of this Ordinance.

(b) Winstead PC, as Bond Counsel, and Coastal Securities and Estrada Hinojosa & Company, Inc. as Co-Financial Advisors to the City in connection with the issuance, sale and delivery of the Notes are hereby authorized to act on behalf of the City and prepare all documents necessary and related to the issuance of the Notes and to perform any other services incidental or related to the issuance of the Notes. M.E. Allison & Co., Inc. served as "Placement Agent" with respect to the Notes pursuant to a certain "Placement Agent Agreement", which action is hereby ratified and approved.

SECTION 19. Covenants to Maintain Tax-Exempt Status. (a) Definitions. When used in this Section, the following terms have the following meanings:

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Delivery Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Notes.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Notes are invested and which is not acquired to carry out the governmental purposes of the Notes.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Notes. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary, or final Income Tax Regulation designed to supplement, amend, or replace the specific Regulation referenced.

"Yield" of

(i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(ii) the Notes means the combined yield on the Series 2014A Notes and the Notes, treating them as a single issue and as calculated pursuant to Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Notes to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Note, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except to the extent that it will not cause the Notes to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Notes:

(i) exclusively own, operate, and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Notes, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Notes or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent that it will not cause the Notes to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Notes to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (i) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (ii) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or (iii) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent that it will cause the Notes to become "private activity bonds" within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Notes directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Notes.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Notes to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Note is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Notes with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Notes until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Notes by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Note Fund or its general fund, as permitted by applicable Texas statute, or any regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Notes equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, 100% of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, 90% of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred 180 days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Notes, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Notes not been relevant to either party.

(j) Notes Not Hedge Bonds.

(i) The City reasonably expects to spend at least 85% of the spendable proceeds of the Notes within three years after such Notes are issued.

(ii) Not more than 50% of the proceeds of the Notes will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of four years or more.

(k) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, City Attorney, Chief Financial Officer, or City Clerk, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Notes, in the Federal Tax Certificate or similar or other appropriate certificate, form, or document. Such elections shall be deemed to be made on the Delivery Date.

SECTION 20. Control and Custody of Notes. The Mayor shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas and shall take and have charge and control of the Notes pending their approval by the Attorney General, the registration thereof by the Comptroller, and the delivery of the Notes to the Purchaser.

Furthermore, the Authorized Officials, either or all, are hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Notes, the approval of the Attorney General and their registration by the Comptroller and, together with the City's Co-Financial Advisors, Bond Counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Note to the Purchaser and the initial exchange thereof for definitive Notes.

SECTION 21. Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, the principal of and interest on the Notes, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Owners shall thereupon cease, terminate, and be discharged and satisfied.

Notes, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Notes or the principal amount(s) thereof at Stated Maturity, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Notes, or the principal amount(s) thereof, at the Stated Maturity thereof. The City covenants that no deposit of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Notes to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 19 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Notes, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Notes and remaining unclaimed for a period of three years after the Stated Maturity or applicable redemption date of the Notes such money was deposited and is held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

SECTION 22. Opinion. The Purchaser's obligation to accept delivery of the Notes is subject to its being furnished a final opinion of Winstead PC, as Bond Counsel, concerning certain legal matters as to the Notes, said opinion to be dated and delivered as of the date of initial delivery and payment for such Notes. Printing of a true and correct copy of this opinion on the reverse side of each of the Notes, with appropriate certificate pertaining thereto executed by facsimile signature of the City Clerk of the City is hereby approved and authorized.

SECTION 23. CUSIP Numbers. CUSIP numbers may not be printed or typed on the definitive Notes.

SECTION 24. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 25. Ordinance a Contract; Amendments; Outstanding Notes. The City acknowledges that the covenants and obligations of the City herein contained are a material inducement to the purchase of the Notes. This Ordinance shall constitute a contract with the Owners from time to time, shall be binding on the City and its successors and assigns, and shall not be amended or repealed by the City so long as any Note remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Owners holding a majority in aggregate principal amount of the Notes then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided; however, that, without the consent of all Owners of Outstanding Notes, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Notes, reduce the principal amount thereof, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Notes, (2) give any preference to any Note over any other Note, or (3) reduce the aggregate principal amount of Notes required for consent to any such amendment, addition, or rescission.

SECTION 26. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, Bond Counsel, Paying Agent/Registrar, and the Owners, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, Bond Counsel, the Paying Agent/Registrar, and the Owners.

SECTION 27. Inconsistent Provisions. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 28. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 29. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 30. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 31. Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council.

SECTION 32. Authorization of Paying Agent/Registrar Agreement. The City hereby finds and determines that it is in the best interest of the City to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, and transferability of the Notes. A copy of the Paying Agent/Registrar Agreement is attached hereto, in substantially final form, as Exhibit B and is incorporated by reference to the provisions of this Ordinance.

SECTION 33. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is finally adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 34. Perfection of Security. Chapter 1208, Texas Government Code, applies to the issuance of the Notes and the pledge of the proceeds of ad valorem taxes thereto, and such pledge is, therefore, valid, effective, and perfected. Should Texas law be amended at any time while the Notes are outstanding and unpaid, the result of such amendment being that the pledge of the ad valorem tax is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, in order to preserve to the registered owners of the Notes a security interest in such pledge, the City agrees to take such measures as it determines are reasonable and necessary to enable a filing of a security interest in said pledge to occur.

SECTION 35. No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Note or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Note.

SECTION 36. Continuing Disclosure Undertaking. (a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Exemption. The Notes are being sold pursuant to a private placement with the Purchaser in denominations of $100,000 or any integral multiple of $5,000 in excess thereof and, to less than 35 sophisticated investors; therefore, the Rule is not applicable to the offering of the Notes. Accordingly, no contract to provide continuing disclosure information after the issuance of the Notes has been made by the City with investors in the Notes.

SECTION 37. Book-Entry Only System. Initially the Purchaser will take physical delivery of the Notes. If the City decides to use a book-entry system, the Notes will be registered so as to participate in a securities depository system (the "DTC System") with The Depository Trust Company, New York, New York, or any successor entity thereto ("DTC"), as set forth herein. The definitive Notes shall be

issued in the form of a separate single definitive Note for each maturity. Upon issuance, the ownership of each such Note shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the outstanding Notes shall be registered in the name of Cede & Co., as the nominee of DTC. The City and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including a "Letter of Representations" (the "Representations Letter").

With respect to the Notes registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Notes from time to time as securities depository (a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Notes (an "Indirect Participant"). Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Notes, or (ii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than an Owner of a Note, of any amount with respect to principal of or interest on the Notes. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Note evidencing the obligation of the City to make payments of principal of and interest on the Notes pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the holder, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

In the event that (a) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representations Letter, (b) the Representations Letter shall be terminated for any reason, or (c) DTC or the City determines that it is in the best interest of the beneficial owners of the Notes that they be able to obtain certificated Notes, the City shall notify the Paying Agent/Registrar, DTC, and Depository Participants of the availability within a reasonable period of time through DTC of certificated Notes, and the Notes shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the City may determine that the Notes shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the City, or such depository's agent or designee, and if the City and the Paying Agent/Registrar do not select such alternate securities depository system then the Notes may be registered in whatever names the Owners of Notes transferring or exchanging the Notes shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Note and all notices with respect to such Note shall be made and given, respectively, in the manner provided in the Representations Letter.

SECTION 38. Further Procedures. The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Notes, the Purchase and Investment Letter, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Notes, Authorized Officials and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the

instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Notes by the Attorney General's office. In case any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 39. Attorney General Examination Fee. The City recognizes that under Section 1202.004, Texas Government Code, the Attorney General of Texas requires a nonrefundable examination fee be paid at the time of submission of the transcript of proceedings authorizing the Notes and that, based upon the principal amount of the Notes, such fee is $1,400.00. Bond Counsel is accommodating the City by paying such fee upon submission of such transcript. Officials of the City are, however, hereby authorized to reimburse Bond Counsel such amount as soon as possible and whether or not the Notes are ever delivered and such amount is hereby appropriated from available funds for such purpose. The City is also authorized to reimburse the fund used for such payment with proceeds of the Notes.

SECTION 40. Effective Date. The effective date of this Ordinance shall be governed by the provisions of Section 1-15 of the City Code of San Antonio, Texas. This Ordinance shall take effect immediately if passed by the affirmative vote of at least eight members of the City Council; otherwise, the same shall take effect on the tenth day after the date of its passage by the City Council.

* * *

PASSED AND ADOPTED by an affirmative vote of 11 members of the City Council of the City of San Antonio, Texas, this the 19th day of June, 2014.

CITY OF SAN ANTONIO, TEXAS

Mayor

ATTEST:

City Clerk

(CITY SEAL)

The undersigned, City Attorney of the City of San Antonio, Texas, hereby certify that I approved as to form the foregoing Ordinance prior to its adoption and passages.

Robert F. Greenblum, City Attorney,
City of San Antonio, Texas

Exhibit A – Paying Agent/Registrar Agreement
Exhibit B – Bid Form
Exhibit C – Purchase and Investment Letter

EXHIBIT A

[See Tab No. 3]

EXHIBIT B

BID FORM

Summary of Proposed Terms and Conditions

June 5, 2014

RE: Private Placement of up to $1,400,000* City of San Antonio, Texas Tax Notes, Series 2014 (the "2014 Notes")

Ladies and Gentlemen:

The City of San Antonio, Texas (the "City") is seeking to privately place up to $1,400,000* "City of San Antonio, Texas Tax Notes, Series 2014" (the "2014 Notes"). The anticipated placement is to be handled as a direct purchase by the financial institution. The terms of this purchase are outlined herein.

Financial Institution: _____ (the "Bank").

Type: Direct purchase of the 2014 Notes.

Basis of Award: The 2014 Notes will be awarded to the bidder on a lowest aggregate True Interest Cost ("TIC") basis.

Use of Proceeds: The City anticipates utilizing proceeds for the purposes of:

Street Improvements; and costs of issuing the 2014 Notes.

Principal Amount: Up to $1,400,000*

Stated Maturities

$180,000*	2/01/2015
$190,000*	2/01/2016
$195,000*	2/01/2017
$200,000*	2/01/2018
$205,000*	2/01/2019
$210,000*	2/01/2020
$220,000*	2/01/2021

Interest Payment Dates: Interest on the 2014 Notes shall be payable semi-annually on 2/1 and 8/1, beginning 2/1/2015.

Interest shall accrue from the date of delivery, currently expected on July 9, 2014.

Call Provisions: The 2014 Notes are callable on or after 2/01/2017 at par.

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* Preliminary, subject to change.

Interest:

We hereby submit that the 2014 Notes shall bear interest (based upon a 360-day year of twelve 30-day months) at fixed rates as follows:

$180,000* -	2/1/2015	_____ %
$190,000* -	2/1/2016	_____ %
$195,000* -	2/1/2017	_____ %
$200,000* -	2/1/2018	_____ %
$205,000* -	2/1/2019	_____ %
$210,000* -	2/1/2020	_____ %
$220,000* -	2/1/2021	_____ %

Representing a calculated true interest cost (TIC) of: _____
Interest on the 2014 Notes shall accrue from the date of delivery, currently anticipated to occur on or about July 9, 2014.

Submission of Bids:

All bids shall be submitted to the City's Placement Agent, M. E. Allison & Co., Inc., at the email address below no later than 11:00 a.m., Central time on Tuesday, June 17, 2014.

mseal@meallison.com

The City reserves the right to reject all bids.

Other Fees:

If the Bank is selected, the City shall be responsible for the reimbursement to the Bank for any reasonable out-of-pocket legal fees and expenses in an amount not to exceed $7,500.00 based upon the scope of financing as presented. Upon delivery of the 2014 Notes and payment of the purchase price by the Bank, such legal fees and expenses incurred by the Bank shall be reimbursed by the City.

Security:

Ad valorem taxes levied against all taxable property located within the City, within the limitations prescribed by law, including the constitutional tax limit of $2.50 per $100 of assessed valuation.

Paying Agent/Registrar:

The Bank shall serve as its own paying agent/registrar for the 2014 Notes and will not charge the City any fees for providing this service.

* Preliminary, subject to change.

City's Co-Financial Advisors:	Mr. Jorge Rodriguez Mr. Daniel Rodriguez Coastal Securities, Inc. 210-487-7000 jnr@coastalsecurities.com djr@coastalsecurities.com Mr. Don Gonzales Estrada Hinojosa & Company, Inc. 210-223-4888 dgonzales@ehmuni.com
City's Bond Counsel:	Mr. M. Paul Martin Winstead PC 210-277-6801 Pmartin@winstead.com
City's Placement Agent:	Mr. Mark A. Seal M. E. Allison & Co., Inc. 210-930-4000 mseal@meallison.com
Underlying Ratings:	The City's current ad valorem tax-supported bond ratings are: Moody's "Aaa", Standard & Poor's "AAA", and Fitch "AAA". The City does not anticipate securing a rating on the 2014 Notes.
Tax-Exempt Obligations:	The interest on the 2014 Notes will be excludable from the gross income of the owners thereof pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the "Code").
Not Bank Qualified:	The 2014 Notes will not be designated as "qualified tax-exempt bonds" pursuant to the provisions of Section 265 of the Code.
Continuing Disclosure:	Pursuant to the exceptions granted under Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities and Exchange Act of 1934, the City will not enter into a continuing disclosure undertaking with respect to the 2014 Notes. The winning bidder will execute a Purchase and Investment Letter, in substantially the form attached hereto as Exhibit A, with the representation that it is an accredited investor.
Delivery of Notes:	The 2014 Notes will be delivered "physically" as directed by the Bank and without CUSIP numbers.
Conditions precedent to	• Approval by the Attorney General of the State of Texas

closing: and receipt of opinion from Bond Counsel stating that the Notes constitute a legal, valid, and binding obligation of the City.

- Receipt of duly authorized ordinance, adopted on June 19, 2014, or such later date as agreed to by the Bank and the City, from the City Council of the City of San Antonio approving the issuance of the 2014 Notes.

- Successful negotiation of loan documentation acceptable to Bank and the City.

The proposed form of the Purchase and Investment Letter to be executed by the Bank is attached hereto in substantially final form as Exhibit A. In the event the winning bid represents a syndicated bid, each participant in such syndicate will be responsible for execution of all investment letters.

IN NO EVENT SHALL THE CITY AGREE TO INDEMNIFY THE BANK IN ANY MANNER RELATING TO THE 2014 NOTES FOR THE BANK'S ROLE AS THE PURCHASER OR TO WAIVE ITS SOVEREIGN IMMUNITY OR ITS RIGHTS TO TRIAL BY JURY, NOR SHALL THE CITY AGREE TO BINDING ARBITRATION. LASTLY, THE CITY SHALL NOT AGREE TO PAY ANY COURT COSTS OR ATTORNEYS' FEES RELATING TO THE 2014 NOTES (EXCEPT AS SET FORTH HEREIN) AND THE CITY SHALL NOT CONTRACTUALLY AGREE TO ANY PROVISIONS SEEKING TO LIMIT THE BANK'S LIABILITY OR THE AMOUNT OR TYPES OF DAMAGES THAT THE CITY MAY RECOVER FROM THE BANK.

THE TERMS AND CONDITIONS ABOVE ARE INTENDED TO BE A SUBSTANTIVE OUTLINE OF THE TRANSACTION RATHER THAN A FULL AND COMPLETE DESCRIPTION OF ALL TERMS OF THE LOAN DOCUMENTS, WHICH SHALL CONTAIN SUCH REPRESENTATIONS, WARRANTIES, COVENANTS, EVENTS OF DEFAULT, AND OTHER PROVISIONS AS MUTUALLY AGREED UPON BY THE BANK AND THE CITY, OTHER THAN THOSE PROVISIONS SPECIFICALLY EXCLUDED ABOVE.

If you have questions regarding this proposal, please do not hesitate to call.

This bid is hereby submitted pursuant to the terms and conditions outlined above by:

Bank: _____

By: _____

Title: _____

EXHIBIT A

[Purchase and Investment Letter]

[FORM OF PURCHASE AND INVESTMENT LETTER]

[LETTERHEAD OF PURCHASER]

[Date of Purchase]

Re: City of San Antonio, Texas Tax Notes, Series 2014 (the "Notes")

City of San Antonio, Texas
111 Soledad, 5th Floor
San Antonio, Texas 78205

Estrada Hinojosa & Company, Inc.
100 West Houston Street, Suite 1400
San Antonio, Texas 78205

Coastal Securities, Inc.
2526 North Loop 1604 West, Suite 150
San Antonio, Texas 78248

Winstead PC
300 Convent Street, Suite 2700
San Antonio, Texas 78205

Ladies and Gentlemen:

We have agreed to purchase, and the City Council of the City of San Antonio, Texas (the "City") has agreed to sell to us, the captioned Notes, as evidence of a loan and not as a public security, at the purchase price of $1,400,000* and no accrued interest. The Notes are scheduled to mature on February 1 in each of the years 2015 through, and including 2021, shall bear the terms, shall be secured, and are subject to redemption as described in the City's ordinance authorizing the Notes adopted on June 19, 2014 (the "Ordinance"), all subject to receipt by you and by us of such opinions, certificates, and other documents as you or we may reasonably require to establish the validity and legality of the Notes.

We hereby represent and warrant that:

(1) we are (a) an "accredited investor" within the meaning of Regulation D promulgated under the Securities Act of 1933 or (b) a state or national bank organized under the laws of the United States, and we have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations, to be able to evaluate the economic risks and merits of the purchase of the Notes;

(2) we have made our own inquiry and analysis with respect to the Notes and the security therefor, and other material factors affecting the security and payment of the Notes, and we have not relied upon any statement by you; your officers, directors, or employees; or your financial consultants or legal advisors in connection with such inquiry or analysis or in connection with the purchase of the Notes;

(3) we have either been furnished with or have had access to all necessary information that we desire in order to enable us to make an informed decision concerning the purchase of the Notes, and we have had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the purpose for which the proceeds of the Notes will be utilized, and the security therefor, so that we have been able to make an informed decision to purchase the Notes;

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* Preliminary, subject to change.

(4) we are purchasing the Notes for our own account as evidence of a privately placed and negotiated bank loan and not with a view to, and with no present intention of, selling, pledging, transferring, conveying, hypothecating, mortgaging, disposing, reoffering, distributing, or reselling the Notes, or any part or interest thereof, except to persons who are able to and do confirm in writing to us and to you the representations contained in paragraphs (1) through (3) and this paragraph to the same extent as if such paragraphs referred to such persons;

(5) we further acknowledge that we are responsible for consulting with our advisors concerning any obligations, including, but not limited to, any obligations pursuant to federal and state securities and income tax laws, we may have with respect to subsequent purchasers of the Notes if and when any such future disposition of the Notes may occur;

(6) we understand that the Notes (a) are not being registered under the Securities Act of 1933 and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state due to exemptions from registration provided for therein, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) will not be readily marketable;

(7) we understand that the City is not required to make any continuing disclosure pursuant to Rule 15c2-12(b) (the "Rule") of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, because the Notes are being sold pursuant to a private placement with the Purchasers (as defined in the Ordinance), generally in denominations of $100,000 or any integral multiple of $5,000 in excess thereof, to less than 35 sophisticated investors, and, therefore, the Rule is not applicable to the offering of the Notes; and

(8) we understand and agree that the foregoing representations and warranties will be relied upon by Winstead PC, Bond Counsel to the City, in rendering its opinion on the exemption of the Notes from the registration requirements under existing federal and state securities laws.

This letter may be executed in multiple counterparts.

Very truly yours,

[NAME OF PURCHASER]

By:_____
Name:_____
Title:_____

AGREED TO AND ACCEPTED this 19th day of June, 2014.

CITY OF SAN ANTONIO, TEXAS

By:_____
Ben Gorzell, Chief Financial Officer

EXHIBIT C

[See Tab No. 2]