CITY OF PHILADELPHIA

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NOTICE OF UNDERWRITER POOL SELECTION
WATER

Overview: The Office of the City Treasurer of Philadelphia (the "City") and the Philadelphia Water Department ("Water") recently released a Request for Qualifications for Underwriters to select its underwriting pools for the next four years. This selection memo is in regards to the pool for **Water**.

Mechanics: The City's underwriting pool structure has been changed from previous pools. There are now **two** underwriting pools: **Senior and Co-Manager**.

> ***Senior:*** Firms placed in the **Senior** pool will be eligible to serve as bookrunning senior manager on any **fixed-rate Water** transaction (concurrently, the City has established a pool of eligible remarketing agents/commercial paper dealers to serve across all City credits). Firms placed in the **Senior** pool will also be eligible to become Co-Senior Managers or Co-Managers on any fixed rate transaction. The City intends to continue selecting the bookrunner for each transaction based on a Request for Information ("RFI") distributed to each firm in the **Senior** pool ahead of each transaction, however, it may choose to recognize unique, actionable ideas presented by a firm by selecting without an RFI.
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> ***Co-Manager:*** Firms placed in the **Co-Manager** pool will be eligible to serve as Co-Senior Manager or Co-Manager on any **fixed rate Water** transaction. The City reserves the right to promote any firm from the **Co-Manager** pool to the **Senior** pool at any time, based on extraordinary service.

The pools below may be effective until June 30, 2016; however, the City may revise this time period at its discretion.

Senior Pool: The firms selected for the **Water Senior Pool** are:

BofA Merrill Lynch	**Loop Capital**	**RBC**
Citi	**Morgan Stanley**	**Siebert Brandford Shank**
Janney Montgomery Scott	**PNC**	**TD Securities**
JP Morgan	**Ramirez**	**Wells Fargo**

Co-Manager Pool: The firms selected for the **Water Co-Manager Pool** (including firms named above in the Senior pool) are:

Backstrom McCarley Berry	Jefferies	Quoin
BofA Merrill Lynch	JP Morgan	Ramirez & Co.
Barclays	Lebenthal	Rice
Boenning	Loop Capital	RBC
Cabrera	MR Beal	Siebert Brandford Shank
Castle Oak	Mesirow	Sterne Agee
Citi	Morgan Keegan	TD Securities
Drexel Hamilton	Morgan Stanley	US Bancorp
Duncan-Williams	Piper Jaffray	Wells Fargo
Goldman Sachs	PNC	Williams
Janney Montgomery Scott	Prager	