



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

January 26, 2024

To All Bond Counsel:

RE: Rescission of Barclays' Standing Letter

As indicated in our All Bond Counsel Letter¹, Barclays was one of the companies whose standing letter was under review because the company was either a net zero member or an affiliate of one. By letter dated January 23, 2024, Barclays informed this office that it was unable to respond at this time to our questions regarding compliance with Senate Bill 13. In its letter, Barclays further recognized that its failure to respond may prevent Barclays from entering into contracts to provide in-scope services, including underwriting services, to Texas governmental entities until such time as they are able to submit their response. Neither has Barclays submitted a new standing letter as required in section 1(b) of the All Bond Counsel Letter. Therefore, until further notice, we will not approve any public security issued on or after today's date in which Barclays purchases or underwrites the public security or is otherwise a party to a covered contract relating to the public security.² As with all potential underwriters of public securities, we hope that Barclays will comply with Texas law. As of today, we have not heard from any of the remaining banks under review that they will not be able to respond to our inquiries.

We have provided this letter pursuant to our authority under section 402.044 of the Government Code, which requires that we advise the proper legal authorities regarding the issuance of bonds that by law require the Attorney General's approval. However, please note that this letter does not dictate how a court may rule in a legal proceeding.

Sincerely,

A handwritten signature in cursive script that reads "Leslie Brock".

Leslie Brock
Assistant Attorney General
Chief, Public Finance Division

¹ All references herein are to the All Bond Counsel Letter dated November 1, 2023.

² In the unlikely situation in which the issuer executed a covered contract with Barclays prior to December 16, 2023, that includes a statement that the statutory representations and covenants of the state law verifications survive termination and for which liability is not limited, please contact this office to determine whether under your particular circumstances, the bonds may proceed to close.