



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

October 17, 2023

To All Bond Counsel:

RE: Review Status of Net Zero Alliance Members

This Office is reviewing whether companies or any affiliates that are members of a Net Zero Alliance are companies that boycott energy companies in violation of Senate Bill 13, now codified in part at chapter 2276 of the Government Code. A "Net Zero Alliance Member" includes a company or its affiliate that is a member of the Net Zero Banking Alliance, Net Zero Insurance Alliance, Net Zero Asset Owner Alliance, or Net Zero Asset Managers. Attached is a list of the companies under current review.

The review impacts companies required to submit standing letters to the Public Finance Division to evidence compliance with Senate Bill 13. During the pendency of this review, we will require issuers to confirm with the affected companies shortly before closing that we can continue to rely on their standing letter. Any company submitting a standing letter to us in the future must inform us if it or any affiliate is a Net Zero Alliance Member. To the extent we learn that a company with a current standing letter, or its affiliate, is a Net Zero Alliance Member, the company will be treated similarly to the companies identified on the attached list.

We are also reviewing our All Bond Counsel Letter dated September 22, 2021, and expect to provide additional guidance on standing letters and steps that may be taken to avoid market disruptions if a company is found to be in violation of Senate Bill 13 or 19. We do not expect to make any decision with respect to our review of Net Zero Alliance Members as it relates to Senate Bill 13 prior to the issuance of our forthcoming updated guidance on standing letters.

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 about 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

Exhibit A

Current Companies Under Review that are Members or are Affiliates of
Members of the Net Zero Banking Alliance, Net Zero Insurance Alliance,
Net Zero Asset Owner Alliance, or Net Zero Asset Managers

Bank of America
Barclay PLC
Barclays Capital Inc.
DNT Asset Trust
Fidelity Capital Markets
Fidelity International (FIL)
Fidelity Investments
J.P. Morgan Asset Management
J.P. Morgan Chase
J.P. Morgan Securities LLC
Morgan Stanley
RBC Capital Markets, LLC
Royal Bank of Canada
State Street Bank and Trust Company
State Street Global Advisors
TD Bank Group
TD Bank, N.A.
TD Securities
Wells Fargo Bank, N.A.
Wells Fargo & Company
Wells Fargo Municipal Capital Strategies, LLC