

Natural Gas Royalty Trusts

A Weekly Analysis

April 10, 2003

Remember Cost Depletion

Summary and Recommendation

As the April 15 deadline approaches, taxpayers should remember that portions of royalty trust distributions offset by cost depletion are not taxable. For example, investors who purchased royalty trusts in a taxable account at the beginning of 2002 owe no income tax on distributions from **Cross Timbers Royalty Trust (CRT)** and from recommended **San Juan Basin Royalty Trust (SJT)**. Cost depletion shields from income tax almost two thirds of the distribution of **Hugoton Royalty Trust (HGT)**. Information we have summarized in the tax calculations below is extracted from booklets that explain the taxation and are available at www.crosstimberstrust.com, www.sjbrt.com and www.hugotontrust.com. Cost depletion serves a similar purpose as depreciation of plant and equipment in assuring that the principal invested in a depleting or depreciating asset is not taxed.

Kurt H. Wulff, CFA

Sample Tax Calculation for Royalty Trusts

	CRT	HGT	SJT
Units	100	100	100
Date of purchase	1/4/02	1/4/02	1/4/02
Beginning of year cost basis	\$ 1,920	\$ 1,031	\$ 955
Cost depletion factor	0.092	0.047	0.110
Depletion	\$ 177	\$ 48	\$ 105
Schedule E			
Line 4 Royalties received	\$ 177	\$ 81	\$ 90
Line 16 Taxes	\$ 26	\$ 6	\$ 8
Line 18 Administration expense	\$ 4	\$ 1	\$ 4
Line 20 Depletion	\$ 177	\$ 48	\$ 105
Royalty income	\$ (30)	\$ 26	\$ (27)
Schedule B Interest income	\$ 0	\$ 0	\$ 0
Form 1040			
Line 53 Nonconventional source fuel credit	\$ 8	\$ 0	\$ 12

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 1

Natural Gas Royalty Trusts

A Weekly Analysis

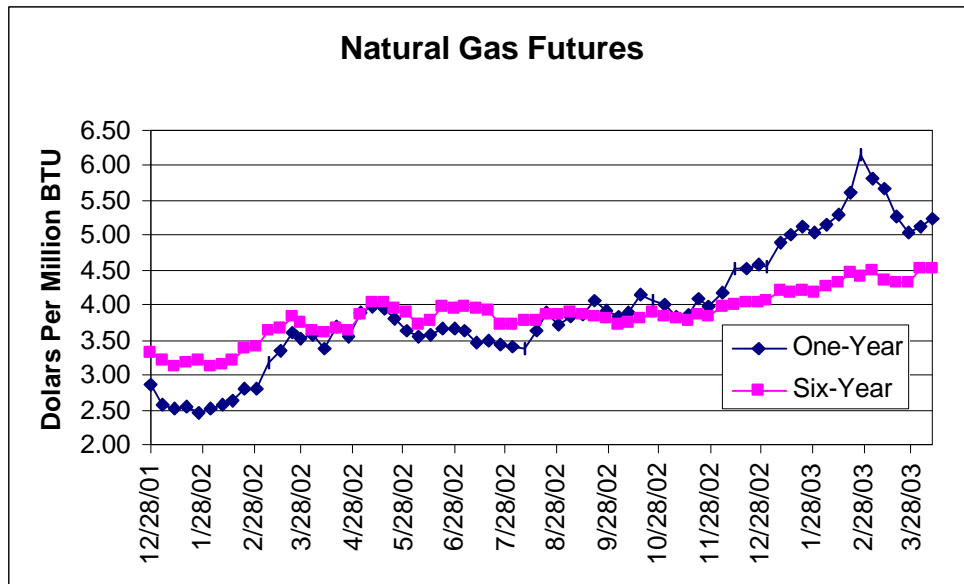
April 10, 2003

Natural Gas and Oil Futures

April 9, 2003

	2004	2005	2006	2007	2008	2009	Six Year
Natural Gas (\$/mmbtu)							
Year ending April	5.23	4.63	4.42	4.25	4.26	4.33	4.52
Light Sweet Crude Oil (\$/bbl)							
Year ending April	26.41	24.59	24.10	24.07	24.07	24.07	24.55
Natural Gas/Oil (6:1 = 1.0)							
Year ending April	1.19	1.13	1.10	1.06	1.06	1.08	1.10

Source: Nymex, FutureSource, wsj.com, McDep Associates



Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 2

Natural Gas Royalty Trusts

A Weekly Analysis

April 10, 2003

Table MEII-1
McDep Energy Income Ideas
Dividends, Debt and McDep Ratio

	<i>Symbol/ Rating</i>		<i>Price (\$/sh) 9-Apr 2003</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Div or Distrib. NTM (%)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
High Greed Partnerships								
El Paso Energy Partners	EPN	S	31.35	57.0	1,790	8.6	0.64	2.65
Kinder Morgan Energy Partners, L.P.	KMP	S	38.19	141	5,390	6.5	0.47	1.91
Kinder Morgan Management, LLC	KMR	S	33.81	39.5	1,340	7.4	0.47	1.74
Enbridge Energy Partners, L.P.	EEP	S	44.09	35.0	1,540	8.2	0.64	1.71
Plains All Amer. Pipeline	PAA		25.35	50.0	1,270	8.5	0.49	1.61
Enbridge Energy Management, L.L.C	EEQ	S	39.20	9.0	350	9.2	0.64	1.59
Penn Virginia Res. Part, L.P.	PVR		24.20	15.3	370	8.3	-	1.34
Northern Border Partners	NBP		38.38	44.0	1,690	8.3	0.62	1.33
TEPPCO Partners, L.P.	TPP		30.81	50.0	1,540	7.8	0.56	1.32
AmeriGas Partners, L.P.	APU		24.57	49.4	1,210	9.0	0.51	1.16
Alliance Res. Part, L.P.	ARLP		22.76	15.9	360	8.8	0.45	1.08
<i>Total or Median</i>					<i>16,900</i>	<i>8.3</i>	<i>0.51</i>	<i>1.59</i>
U.S. Master Limiter Partnerships								
Enterprise Products Part (16%)	EPD		21.87	29	620	6.3	0.63	1.82
Dorchester Minerals, L.P.	DMLP		14.71	27.0	397	10.9	-	1.13
Canadian Royalty Trusts								
Provident Energy Trust	PVX		7.12	63.5	450	21.8	0.23	1.14
Enerplus Resources Fund	ERF		18.75	75.0	1,410	15.2	0.16	0.95
Pengrowth Energy Trust	PGH		9.73	110.0	1,070	19.4	0.16	0.90
Canadian Oil Sands Trust (US\$)	COS_u.TO	B	23.73	76.8	1,820	5.6	0.15	0.60
<i>Total or Median</i>					<i>4,800</i>	<i>17.3</i>	<i>0.16</i>	<i>0.93</i>
U.S. Natural Gas Royalty Trusts								
Cross Timbers Royalty Trust	CRT		18.63	6.0	112	12.6	-	0.86
Hugoton RoyaltyTrust (46%)	HGT		13.69	18.4	250	15.2	-	0.82
San Juan Basin Royalty Trust	SJT	B	14.40	46.6	670	14.4	-	0.78
<i>Total or Median</i>					<i>1,030</i>	<i>14.4</i>	<i>-</i>	<i>0.82</i>
Additional McDep Recommendations								
Royal Dutch/Shell	RD	B	42.50	3,473	147,600	4.4	0.19	0.82
ChevronTexaco Corporation	CVX	B	64.20	1,062	68,200	4.4	0.18	0.74
Marathon Oil Corporation	MRO	B	23.30	310	7,200	3.9	0.31	0.71
PetroChina Company Ltd (10%)	PTR	B	21.42	176	3,800	8.3	0.15	0.70
<i>Total or Median</i>					<i>227,000</i>	<i>4.4</i>	<i>0.19</i>	<i>0.72</i>

Buy/Sell rating after symbol: B - Buy, N - Neutral, S - Sell

NTM = Next Twelve Months Ended March 31, 2004

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 3

Natural Gas Royalty Trusts

A Weekly Analysis

April 10, 2003

Table MEII-2
McDep Energy Income Ideas
Distribution Validity, Fees and Cash flow Multiples

	<i>Symbol/</i>		<i>Price</i>	<i>Dist/</i>	<i>Mgt</i>	<i>Fin</i>	<i>EV/</i>	<i>PV/</i>
	<i>Rating</i>		<i>(\$/sh)</i>	<i>Equity</i>	<i>Fee</i>	<i>Fee</i>	<i>Ebitda</i>	<i>Ebitda</i>
			<i>9-Apr</i>	<i>Ebitda</i>	<i>(%)</i>	<i>(%)</i>	<i>NTM</i>	<i>NTM</i>
			<i>2003</i>					
High Greed Partnerships								
El Paso Energy Partners	EPN	S	31.35	4.3	71	6	23.9	9.0
Kinder Morgan Energy Partners, L.P.	KMP	S	38.19	1.5	46	6	16.6	8.7
Enbridge Energy Partners, L.P.	EEP	S	44.09	2.2	21	6	15.4	9.0
Kinder Morgan Management, LLC	KMR	S	33.81	1.5	46	6	15.1	8.7
Plains All Amer. Pipeline	PAA		25.35	1.7	9	6	14.4	9.0
Enbridge Energy Management, L.L.C	EEQ	S	39.20	2.2	21	6	14.3	9.0
Northern Border Partners	NBP		38.38	1.4	8	6	12.0	9.0
TEPPCO Partners, L.P.	TPP		30.81	1.2	25	6	11.9	9.0
Penn Virginia Res. Part, L.P.	PVR		24.20	1.0	2	8	11.5	8.6
AmeriGas Partners, L.P.	APU		24.57	1.1	1	6	10.5	9.0
Alliance Res. Part, L.P.	ARLP		22.76	0.7	2	8	7.5	7.0
		<i>Median</i>					<i>14.3</i>	<i>9.0</i>
U.S. Master Limiter Partnerships								
Enterprise Products Part (16%)	EPD		21.87	1.8	10	6	16.4	9.0
Dorchester Minerals, L.P.	DMLP		14.71	0.9	3		8.3	7.3
Canadian Royalty Trusts								
Enerplus Resources Fund	ERF		18.75	0.9	10	6	6.0	6.4
Canadian Oil Sands Trust (US\$)	COS_u.TO	B	23.73	0.3			5.4	9.1
Pengrowth Energy Trust	PGH		9.73	1.0	9	6	5.4	6.0
Provident Energy Trust	PVX		7.12	1.1	15	8	4.9	4.2
		<i>Median</i>					<i>5.4</i>	<i>6.2</i>
U.S. Natural Gas Royalty Trusts								
Cross Timbers Royalty Trust	CRT		18.63	0.9			7.5	8.8
San Juan Basin Royalty Trust	SJT	B	14.40	0.9			6.0	7.7
Hugoton RoyaltyTrust (46%)	HGT		13.69	0.9			5.7	6.9
Additional McDep Recommendations								
Royal Dutch/Shell	RD	B	42.50	0.3			6.8	8.3
ChevronTexaco Corporation	CVX	B	64.20	0.2			5.7	7.8
Marathon Oil Corporation	MRO	B	23.30	0.1			4.5	6.3
PetroChina Company Ltd (10%)	PTR	B	21.42	0.2			2.9	4.1
		<i>Median</i>					<i>5.1</i>	<i>7.1</i>

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 4

Natural Gas Royalty Trusts

A Weekly Analysis

April 10, 2003

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	11	Price Escalation Post 2008 (%/yr):	2.6
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	5.9
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	1.8
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	3.9
PV/Volume (\$/mcf):	1.64	PV/EBITDA 2004:	7.9

Year	Basic (bcf)	Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$/unit)	Disc Factor	Present Value (\$/unit)	
Total 2004 through 2030; years ending on 3/31												
	315	210	525	4.21	2214	350	266	189	1410	30.25	0.61	18.50
2004	35.1	0.0	35.1	3.91	137.2	11.6	16.5	12.5	96.6	2.07	0.97	2.01
2005	31.4	3.5	34.9	4.03	140.7	13.0	16.9	27.7	83.1	1.78	0.92	1.64
2006	28.1	6.6	34.7	3.77	130.8	13.0	15.7	25.5	76.6	1.64	0.87	1.42
2007	25.1	9.4	34.5	3.65	126.1	13.0	15.1	24.5	73.5	1.58	0.82	1.29
2008	22.4	11.9	34.3	3.61	123.9	13.0	14.9	24.0	72.0	1.55	0.77	1.19
2009	20.1	14.0	34.1	3.68	125.5	13.0	15.1	24.4	73.1	1.57	0.73	1.14
2010	17.9	15.9	33.9	3.78	128.1	13.0	15.4	24.9	74.8	1.60	0.69	1.10
2011	16.0	17.6	33.7	3.88	130.7	13.0	15.7	25.5	76.5	1.64	0.65	1.07
2012	14.3	15.8	30.1	3.98	119.9	13.0	14.4		92.5	1.99	0.61	1.22
2013	12.8	14.1	26.9	4.09	110.0	13.0	13.2		83.8	1.80	0.58	1.04
2014	11.5	12.6	24.1	4.19	101.0	13.0	12.1		75.8	1.63	0.55	0.89
2015	10.2	11.3	21.5	4.31	92.6	13.0	11.1		68.5	1.47	0.52	0.76
2016	9.2	10.1	19.2	4.42	85.0	13.0	10.2		61.8	1.33	0.49	0.65
2017	8.2	9.0	17.2	4.54	78.0	13.0	9.4		55.6	1.19	0.46	0.55
2018	7.3	8.1	15.4	4.66	71.6	13.0	8.6		50.0	1.07	0.43	0.47
2019	6.5	7.2	13.7	4.78	65.7	13.0	7.9		44.8	0.96	0.41	0.39
2020	5.8	6.4	12.3	4.90	60.3	13.0	7.2		40.0	0.86	0.39	0.33
2021	5.2	5.8	11.0	5.03	55.3	13.0	6.6		35.7	0.77	0.36	0.28
2022	4.7	5.1	9.8	5.17	50.7	13.0	6.1		31.7	0.68	0.34	0.23
2023	4.2	4.6	8.8	5.30	46.6	13.0	5.6		28.0	0.60	0.33	0.20
2024	3.7	4.1	7.8	5.44	42.7	13.0	5.1		24.6	0.53	0.31	0.16
2025	3.3	3.7	7.0	5.59	39.2	13.0	4.7		21.5	0.46	0.29	0.13
2026	3.0	3.3	6.3	5.73	36.0	13.0	4.3		18.7	0.40	0.27	0.11
2027	2.7	2.9	5.6	5.89	33.0	13.0	4.0		16.0	0.34	0.26	0.09
2028	2.4	2.6	5.0	6.04	30.3	13.0	3.6		13.7	0.29	0.24	0.07
2029	2.1	2.3	4.5	6.20	27.8	13.0	3.3		11.5	0.25	0.23	0.06
2030	1.9	2.1	4.0	6.36	25.5	13.0	3.1		9.4	0.20	0.22	0.04

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 5

Natural Gas Royalty Trusts

A Weekly Analysis

April 10, 2003

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	Q2	Q3	Q4	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next Twelve Months
	6/30/02	9/30/02	12/31/02	2002	3/31/03	6/30/03	9/30/03	12/31/03	2003E	3/31/04	3/31/04
Highlights											
Revenue (\$mm) (75%)	18.6	20.7	20.4	78.9	31.1	38.4	32.6	32.6	134.8	33.6	137.2
Cash flow (\$mm) (75%)	14.1	16.0	15.6	59.7	25.0	31.8	26.3	26.3	109.3	27.2	111.5
Per unit	0.30	0.34	0.33	1.28	0.54	0.68	0.56	0.56	2.35	0.58	2.39
Tax credit (\$mm)	1.4	1.9	1.9	5.6					-		
Per unit	0.03	0.04	0.04	0.12					-		
Distributable Income (\$mm)	9.0	12.2	11.6	36.3	19.5	28.1	22.6	22.5	92.7	23.4	96.6
Per unit	0.19	0.26	0.25	0.78	0.42	0.60	0.48	0.48	1.99	0.50	2.07
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume											
Natural gas (mmbtu)	12.0	11.6	12.4	48.5	12.6	11.8	12.2	12.2	49.0	12.2	48.6
Heat Content(btu/cf)	1,077	970	1,064	1,050	1,084	1,048	1,048	1,048	1,057	1,048	1,048
Natural gas (bcf)	11.1	12.0	11.6	46.2	11.6	11.3	11.7	11.7	46.3	11.7	46.4
Natural Gas (mmcf/d)	125.1	130.4	126.2	126.6	126.5	127.0	127.0	127.0	126.9	127.0	127.0
Days	89	92	92	365	92	89	92	92	365	92	365
Oil (mb)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Oil (mbd)	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	11.3	12.1	11.7	46.8	11.8	11.4	11.8	11.8	46.8	11.8	46.8
Price											
Natural gas (\$/mmbtu) (Henry Hub lagged two months)											
Henry Hub (\$/mmbtu)	2.92	3.23	3.59	3.02	4.73	6.29	5.24	5.23	5.37	5.40	5.54
Differential (%)	31	28	40	30	32	32	33	33	33	33	33
Total	2.02	2.33	2.16	2.13	3.24	4.28	3.51	3.50	3.62	3.62	3.72
Natural gas (\$/mcf)	2.18	2.26	2.30	2.24	3.51	4.48	3.68	3.67	3.83	3.79	3.90
Oil (\$/bbl) (WTI Cushing lagged two months)											
WTI Cushing	23.80	26.49	28.96	24.70	29.55	32.49	27.89	26.47	29.10	25.88	28.18
SJT	19.14	21.95	28.35	20.90	28.92	31.80	27.30	25.91	28.45	25.34	27.55
Total gas & oil (\$/mcf)	2.19	2.28	2.32	2.25	3.53	4.49	3.69	3.68	3.84	3.79	3.91
Revenue (\$mm)											
Natural Gas	24.2	27.1	26.7	103.3	40.9	50.7	43.0	42.9	177.5	44.3	180.9
Oil	0.5	0.5	0.6	2.0	0.6	0.6	0.5	0.5	2.2	0.5	2.1
Total	24.8	27.6	27.3	105.2	41.5	51.3	43.5	43.4	179.7	44.8	183.0
Cost (\$mm)											
Severance tax	2.4	2.3	3.1	10.5	4.2	5.1	4.4	4.3	18.0	4.5	18.3
Operating	3.7	4.0	3.4	15.2	3.9	3.7	4.1	4.1	15.8	4.1	16.0
Total	6.0	6.3	6.5	25.6	8.1	8.9	8.4	8.4	33.9	8.6	34.3
Cash flow (\$mm)	18.8	21.3	20.7	79.6	33.3	42.4	35.1	35.0	145.8	36.2	148.7
Development	3.4	2.1	4.7	21.5	6.6	4.2	4.2	4.2	19.1	4.2	16.7
Net proceeds (\$mm)	15.4	19.2	16.1	58.2	26.8	38.2	30.9	30.8	126.7	32.0	132.0
Royalty income (\$mm)	11.5	14.4	12.1	43.6	20.1	28.7	23.2	23.1	95.0	24.0	99.0
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Administration	0.5	0.6	0.5	2.0	0.6	0.6	0.6	0.6	2.3	0.6	2.3
One-time	2.0	1.6		5.3					-		-
Distributable income (\$mm)	9.0	12.2	11.6	36.3	19.5	28.1	22.6	22.5	92.7	23.4	96.6
Modeling ratios											
Severance tax/revenue	9.5%	8.5%	11.5%	9.9%	10.2%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Operating cost (\$/mcf)	0.32	0.33	0.29	0.32	0.33	0.33	0.35	0.35	0.34	0.35	0.34
Development/Cash flow	18%	10%	22%	27%	20%	10%	12%	12%	13%	12%	11%

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 6

Natural Gas Royalty Trusts

A Weekly Analysis

April 10, 2003

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	<i>Dec-02</i>	<i>Jan-03</i>	<i>Feb-03</i>	<i>Mar-03</i>	<i>Apr-03</i>	<i>May-03</i>	<i>Jun-03</i>
Distribution (\$/unit)							
Declared	0.09	0.10	0.12	0.20			
Projected					0.18	0.27	0.15
Volume							
Natural gas (mmbtu)	4.08	4.07	3.97	4.58	3.73	4.13	3.99
Heat Content(btu/cf)	1,043	1,092	1,097	1,067	1,048	1,048	1,048
Natural gas (bcf)	3.91	3.73	3.62	4.29	3.56	3.94	3.81
Natural Gas (mmcf)	126	124	117	138	127	127	127
Days	31	30	31	31	28	31	30
Price							
Natural gas industry quotes lagged two months (\$/mmbtu)							
Henry Hub Daily/Futures	4.12	4.03	4.76	5.41	7.77	5.95	5.14
San Juan Monthly Index	2.52	3.25	3.45	4.14	4.58	5.91	3.71
SJT/Henry Hub	0.54	0.71	0.66	0.68	0.53	0.89	0.65
SJT/San Juan Index	0.89	0.88	0.91	0.88	0.90	0.90	0.90
SJT (\$/mmbtu)	2.24	2.85	3.14	3.66	4.12	5.32	3.34
SJT (\$/mcf)	2.33	3.12	3.45	3.91	4.32	5.57	3.50
Revenue (\$mm)							
Natural Gas	9.1	11.6	12.5	16.8	15.4	22.0	13.3
Other	0.0	0.1	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Cost (\$mm)							
Severance tax	1.5	1.2	1.3	1.7	1.6	2.2	1.4
Operating	0.5	1.5	1.3	1.1	1.2	1.2	1.2
Total	2.0	2.7	2.6	2.8	2.8	3.5	2.6
Cash flow (\$mm)							
Development	1.6	2.7	2.4	1.4	1.4	1.4	1.4
Net proceeds (\$mm)							
	5.5	6.3	7.4	12.4	11.1	17.0	9.3
Royalty income (\$mm)							
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%
One time							
Distributable income (\$mm)							
	4.2	4.7	5.5	9.3	8.3	12.8	7.0
Units (millions)							
	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)							
	0.09	0.10	0.12	0.20	0.18	0.27	0.15
<i>Latest Twelve Month Average</i>							
Heat Content(btu/cf)	1,050	1,050	1,050	1,048			
Natural Gas (mmcf)	127	127	126	127			
SJT/Henry Hub	0.72	0.70	0.70	0.67			
SJT/San Juan Index	0.88	0.89	0.90	0.90			
Other revenue	(0.2)	(0.1)	(0.1)	(0.1)			
Operating	1.3	1.3	1.3	1.2			
Development	1.8	1.7	1.5	1.4			
Severance tax/revenue	10.1%	10.1%	10.1%	10.1%			

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. He and his spouse do not sell short nor act contrary to a buy or sell rating except for tax loss purposes. 7