

This “Official Notice of Sale” does not alone constitute an offer to sell the Certificates (defined below). This “Official Notice of Sale,” the “Official Bid Form” and the “Preliminary Official Statement” collectively constitute the offer to sell the Certificates. Prospective purchasers are urged to carefully examine the “Preliminary Official Statement” and to make investigations they deem necessary to determine the investment quality of the Certificates.

OFFICIAL NOTICE OF SALE

\$2,000,000*

CITY OF VICTORIA, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2019

Bids Due by: Tuesday, September 17, 2019 at 10:30 A.M. CDT

THE SALE

Certificates Offered for Sale at Competitive Bidding . . . The City of Victoria, Texas (the “City”) is offering for sale its \$2,000,000* Certificates of Obligation, Series 2019 (the “Certificates”).

Written Bidding Procedure . . . Bids, which must be submitted on the Official Bid Form and plainly marked “Bid for Certificates,” should be addressed to “City Council, City of Victoria, Texas,” and should be delivered to the City’s Financial Advisor, RBC Capital Markets, LLC, 303 Pearl Parkway, Suite 220, San Antonio, Texas 78215 prior to 10:30 A.M. CDT on Tuesday, September 17, 2019. Any bid received after 10:30 A.M. CDT will not be accepted.

Electronic Bidding Procedure . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Bidders must submit, prior to 10:30 A.M. CDT, Tuesday, September 17, 2019, SIGNED Official Bid Forms, in duplicate, to R. Dustin Traylor, RBC Capital Markets, LLC, 303 Pearl Parkway, Suite 220, San Antonio, Texas 78215. Subscription to i-Deal’s BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

Electronic bids must be submitted via PARITY in accordance with this Official Notice of Sale, but no bid will be received after the time for receiving bids specified above. An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Certificates on the terms provided in this Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Official Notice of Sale shall conflict with information provided by PARITY, as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from i-Deal, 450 West 33rd Street, New York, New York 10001, (212) 849-5024.

For purposes of both the written bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City, as described under “CONDITIONS OF THE SALE - Basis for Award” below. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form.

Bids by Telephone . . . Bidders must submit SIGNED Official Bid Forms to R. Dustin Traylor, RBC Capital Markets, LLC, 303 Pearl Parkway, Suite 220, San Antonio, Texas 78215, and submit their bid by telephone on the date of the sale.

Telephone bids will be accepted at (210) 805-1117, between 10:00 AM, C.D.T. and 10:30 AM, C.D.T.

RBC Capital Markets, LLC will not be responsible for submitting any bids received after the above deadlines.

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* Preliminary, subject to change (see “CONDITIONS OF THE SALE – Post Bid Modification of Principal Amounts” herein).

RBC Capital Markets, LLC and the City assume no responsibility or liability with respect to any irregularities associated with the submission of bids if telephone option is exercised.

Place and Time of Bid Opening . . . The bids for the Certificates will be publicly opened and read in the office of the Financial Advisor at 10:30 AM, Central Time, Tuesday, September 17, 2019.

Award and Sale of the Certificates . . . The City Council of the City will take action to adopt an ordinance (the “Ordinance”) authorizing the issuance of the Certificates and awarding the sale of the Certificates to the winning bidder or will reject all bids promptly at a meeting scheduled to convene at 5:00 P.M. Central Time, on September 17, 2019. The award will be given to the entity submitting the best bid for the Certificates. Bidders that work with syndicates of dealers may disclose to the City members of its syndicate, but for all purposes of contracting for the sale of the Certificates, the entity signing the Official Bid Form as bidder shall be solely responsible for the payment of the purchase price of the Certificates, and any information provided with respect to syndicate members shall be provided solely for informational purposes. The City reserves the right to reject any and all bids and to waive any irregularities except time of submission.

THE CERTIFICATES

Description of the Certificates . . . The Certificates will be dated September 1, 2019 (the “Dated Date”). Interest on the Certificates will accrue from the date of initial delivery thereof (the “Delivery Date”), which is expected to be on or about October 15, 2019, and will be payable initially on February 15, 2020, and semi-annually thereafter on each August 15 and February 15 until maturity or prior redemption. The Certificates will be delivered to the successful bidder (the “Initial Purchaser”) as one Certificate (the “Initial Certificate”) either in typed or printed form, in the aggregate principal amount of \$2,000,000*, payable in stated installments to the Initial Purchaser, in fully registered form. Upon delivery of the Initial Certificate, it shall be immediately cancelled and exchanged for one definitive Certificate for each maturity of the Certificates. The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company (“DTC”) for distribution to the beneficial owners under the Book-Entry-Only System described in the Preliminary Official Statement. **No physical delivery of the Certificates will be made to the beneficial owners thereof.** Principal and semi-annual interest will be paid by Wilmington Trust, N.A., Dallas, Texas, the paying agent/registrars (the “Paying Agent/Registrar”) to Cede & Co. on each applicable payment date. Cede & Co. will be responsible for distributing the amounts so paid to the beneficial owners of the Certificates. The Certificates will mature on August 15 in each the following years in the following amounts.

MATURITY SCHEDULE* (Due August 15)

<u>Maturity</u>	<u>Amount</u>	<u>Maturity</u>	<u>Amount</u>
2020	\$ 80,000	2030	\$ 100,000
2021	70,000	2031	105,000
2022	70,000	2032	105,000
2023	75,000	2033	110,000
2024	80,000	2034	115,000
2025	80,000	2035	120,000
2026	85,000	2036	125,000
2027	90,000	2037	130,000
2028	90,000	2038	135,000
2029	95,000	2039	140,000

* Preliminary, subject to change (see “CONDITIONS OF THE SALE – Post Bid Modifications of Principal Amounts”).

Denomination of the Certificates. . . The Certificates will be issued in \$5,000 denominations or any integral multiple thereof.

Optional Redemption. . . The City reserves the right, at its option, to redeem Certificates maturing August 15, 2029 and thereafter, in whole or in part, in the principal amount of \$5,000 or any integral multiple thereof (and if within a maturity by lot), on August 15, 2028 or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See “THE OBLIGATIONS – Optional Redemption” in the Preliminary Official Statement.

CONDITIONS OF THE SALE

Types of Bids and Interest Rates . . . All bids must be submitted on the “Official Bid Form” enclosed herewith without change. The Certificates will be sold in one block, on an “All or None” basis, and no bid of less than 103% of par value will be considered. **No bid that generates a premium on the Certificates that results in a dollar price of less than \$103.00 will be considered.** Bidders must specify the rate of interest the Certificates will bear, but a bid which results in a net effective interest rate, as defined by Chapter 1204, Texas Government Code, as amended, of more than 15% will not be considered. The interest rate bid must be in a multiple of 1/8 or 1/20 of 1%. Graduating or declining rates within a maturity, split rates within a maturity, or supplemental or zero interest rates will not be considered. The difference between the highest interest rate bid and the lowest interest rate bid shall not exceed 3% in rate.

Serial Certificates and/or Term Certificates . . . Bidders have the option of specifying that the principal amount of the Certificates payable in any two or more consecutive years may, in lieu of maturing in each of such years, be combined into one or more term certificates (each a “Term Certificate”).

In the event that bidders choose to specify one or more Term Certificates, such Term Certificates will be subject to mandatory sinking fund redemption by the City prior to their scheduled maturities on August 15 in the years and in the amounts set forth in the maturity schedule of the serial Certificates.

Advance Modification of Principal Amounts. . . . The maturity schedule for the Certificates set forth above represents an estimate of the principal amount of Certificates to be sold. The City hereby reserves the right to change the maturity schedule, based on market conditions prior to the sale. In the event that the City elects to change the maturity schedule prior to the sale it will provide notice to potential bidders through PARITY. Such notice shall be considered an amendment to this Official Notice of Sale.

Post Bid Modification of Principal Amounts . . . The City hereby further reserves the right to change the bid maturity schedule after the determination of the winning bidder to create level debt service, by increasing or decreasing the principal amounts in any maturity of the Certificates, subject to the limitation of no more than a 15% increase or decrease in any one maturity and the aggregate principal amount of the Certificates is limited to a 15% increase or decrease. The successful bidder may not withdraw its bid or change the interest rates bid or the initial reoffering terms as a result of any changes made to the principal amounts within these limits. The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the principal amount of the Certificates. The bid price for such an adjustment will reflect changes in the dollar amount of the underwriting discount and original issue discount/premium, if any, but will not change the selling compensation per \$1,000 of par amount of the Certificates from the selling compensation that would have been received based on the purchase price in the winning bid and the initial reoffering terms. The interest rates specified by the successful bidder for the various maturities at the initial reoffering terms will not change. The City anticipates that the final annual principal amounts and the final aggregate principal amount of the Certificates will be communicated to the successful bidder within three hours of the City’s receipt of the initial public offering prices and yields for the Certificates.

Basis for Award . . . The sale of the Certificates will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the City. The True Interest Cost rate is that rate which, when used to compute the total present value as of the Delivery Date of all debt service payments on the Certificates on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Certificates plus the premium bid. In the event of a bidder’s error in interest cost rate calculations, the interest rates, and premium, if any, set forth in the Official Bid Form will be considered as the intended bid. No award will be made to any bidder bidding on terms and conditions not in strict conformity with this “Official Notice of Sale.”

Good Faith Deposit . . . Each bid must be accompanied by a bank cashier’s check payable to the order of “City of Victoria, Texas” in the amount of \$40,000, which is 2% of the par value of the Certificates. The check will be considered as a Good Faith Deposit, and the check of the Initial Purchaser will be retained uncashed by the City until the Certificates are delivered. **Upon payment for and delivery of the Certificates, the Good Faith Deposit will be returned uncashed to the Initial Purchaser.** If the Initial Purchaser should fail or refuse to make payment for or accept delivery of the Certificates in accordance with the bid, then the check will be cashed and accepted by the City as full and complete liquidated damages. Such check may accompany the Official Bid Form or it may be submitted separately. If submitted separately, it shall be made available to the City prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn which authorize its use as a Good Faith Deposit. The checks of the unsuccessful bidders will be returned immediately after bids are opened and sale of the Certificates has been awarded.

ESTABLISHING THE ISSUE PRICE FOR THE CERTIFICATES

The City intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of municipal bonds), which require, among other things, that the City receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirement”).

In the event that the bidding process does not satisfy the Competitive Sale Requirement, Bids will not be subject to cancellation and the winning bidder (i) agrees to promptly report to the City the first prices at which at least 10% of each maturity of the Certificates, as designated by the winning bidder, (the “First Price Maturity”) have been sold to the Public (the “10% Test”) (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test) and (ii) agrees to hold-the-offering-price of each maturity of the Certificates that does not satisfy the 10% Test (“Hold-the-Price Maturity”), as described below.

In order to provide the City with information that enables it to comply with the establishment of the issue price of the Certificates under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the City or to the City’s financial advisor, RBC Capital Markets, LLC (the “City’s Financial Advisor”) a certification as to the Certificates’ “issue price” (the “Issue Price Certificate”) substantially in the form and to the effect attached hereto or accompanying this Notice of Sale, within 5 business days prior to the Closing Date if the Competitive Sale Requirement is satisfied or within 5 business days of the date on which the 10% Test is satisfied with respect to all of the First Price Maturities. In the event the winning bidder will not reoffer any maturity of the Certificates for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the City. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

For purposes of this section of this Notice of Sale:

(i) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to the Underwriter,

(ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the Public),

(iii) “Related Party” means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “Sale Date” means the date that the Certificates are awarded by the City to the winning bidder.

All actions to be taken by the City under this Notice of Sale to establish the issue price of the Certificates may be taken on behalf of the City by the City’s Financial Advisor, and any notice or report to be provided to the City may be provided to the City’s Financial Advisor.

The City will consider any bid submitted pursuant to this Notice of Sale to be a firm offer for the purchase of the Certificates, as specified in the bid and, if so stated, in the Official Bid Form.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to report the prices at which it sells to the Public the unsold Certificates of each maturity allocated to it until either all such Certificates have been sold or it is notified by the winning bidder that either the 10% Test has been satisfied as to the Certificates of that maturity, (B) to promptly notify the winning bidder of any sales of Certificates that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter, and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the Public to require each underwriter or dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Certificates of each maturity allocated to it until either all such Certificates have been sold or it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Certificates of that maturity. Sales of any Certificates to any person that is a Related Party to an Underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

By submitting a bid, the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Certificates, that each Underwriter will neither offer nor sell any Hold-the-Price Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of (1) the close of the fifth (5th) business day after the Sale Date; or (2) the date on which the Underwriters have sold at least 10% of that Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public. The winning bidder shall promptly advise the City when the Underwriters have sold 10% of a Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

ADDITIONAL CONDITIONS OF AWARD — DISCLOSURE OF INTERESTED PARTY FORM

Obligation of the City to Receive Information from Winning Bidder . . . Pursuant to Texas Government Code Section 2252.908 ("the Interested Party Disclosure Act"), the City may not award the Certificates to a bidder unless the bidder either:

- (i) submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the City as prescribed by the Texas Ethics Commission ("TEC"), or
- (ii) certifies to the City, in the manner prescribed under the subcaption "Exemption" herein, that it is exempt from filing the Disclosure Form by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

In the event that the bidder's bid for the Certificates is the best bid received, the City, acting through its Financial Advisor, will promptly notify the bidder. That notification will serve as the conditional verbal acceptance of the bid, and, unless the bidder is exempt from filing a Disclosure Form, will obligate the winning bidder to file a completed Disclosure Form, as described below, prior to the City's final written award.

Process for Completing the Disclosure Form . . . Reference should be made to the Disclosure Form, the rules of the TEC with respect to the Disclosure Form (the "Disclosure Rules") and the Interested Party Disclosure Act. Instructional information regarding such matters are set forth at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. For purposes of completing the Disclosure Form the Initial Purchaser will need the following information: (a) in item 2 – name of governmental entity, insert "City of Victoria, Texas" and (b) in item 3 – for the identification number assigned to this contract by the City, insert "COs 2019", and for a description of the goods or services to be provided under the contract, insert "Purchase Certificates pursuant to competitive bid". The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the "Disclosure Rules") require a business entity contracting with the City to complete the form at the TEC "portal" at the website set forth above, then print, complete the Disclosure Form, sign, and deliver the Disclosure Form to the City. Following the award of the Certificates, the City will acknowledge the receipt of the completed Disclosure Form and certification of filing on the TEC Website. The completed and signed Disclosure Form must be sent by email, to the City at greyna@victoriatx.org, to the City's Financial Advisor at Robert.d.traylor@rbccm.com,

and to the City's Bond Counsel at sibarra@mphlegal.com, as soon as possible following the notification of conditional verbal acceptance and prior to the final written award.

Preparations for Completion, and the Significance of, the Reported Information . . . The Interested Party Disclosure Act provides that such acknowledgment is made "under oath and under penalty of perjury." Consequently, a bidder should take appropriate steps prior to completion of the Disclosure Form to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the Disclosure Form. **Time will be of the essence in submitting the form to the City, and no final award will be made by the City regarding the sale of the Certificates until a completed Disclosure Form, if required, is received. The City reserves the right to reject any bid that is not accompanied by a completed Disclosure Form, if required, as described herein.** Neither the City nor its consultants have the ability to verify the information included in a Disclosure Form, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form. Consequently, an entity intending to bid on the Certificates should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the City that its bid is the conditional winning bid.

Exemption . . . Pursuant to the Interested Party Disclosure Act, a publicly traded business entity, including a wholly owned subsidiary of the business entity, is exempt from the requirements of the Interested Party Disclosure Act. **The City is not responsible or liable for ascertaining or verifying whether any bidder satisfies this exemption. If any bidder, in its sole discretion, determines that it satisfies this exemption, it must indicate accordingly in the Official Bid Form. The City will rely on such certification for purposes of satisfying its obligations under the Interested Party Disclosure Act.**

Impact of Bidding Syndicate on Award... For purposes of contracting for the sale of the Certificates, the entity signing the bid form as Initial Purchaser shall be solely responsible for the payment of the purchase price of the Certificates. The Initial Purchaser may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the City is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

ADDITIONAL CONDITIONS OF AWARD — NO BOYCOTT OF ISRAEL VERIFICATION AND NO ENGAGEMENT WITH FOREIGN TERRORIST ORGANIZATIONS

No Boycott of Israel Verification... Pursuant to 2270 (as enacted by Acts 2017, 85th Leg., ch.1, House Bill 89) of the Texas Government Code, as amended, the winning bidder will be required to verify, in the Official Bid Form, for the purposes of such chapter, that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the sale of the Certificates is a contract for goods or services, will not boycott Israel through initial delivery of the Certificates. The foregoing verification will be made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The bidder understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the bidder and exists to make a profit.

Compliance with Law Prohibiting Contracts with Companies that Engage in Business with Foreign Terrorist Organizations... Additionally, pursuant to Chapter 2252 of the Texas Government Code, as amended, the winning bidder will be required to verify that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>. The foregoing representation will be made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The bidder understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the bidder and exists to make a profit.

OFFICIAL STATEMENT

By accepting the winning bid, the City agrees to the following representations and covenants to assist the Initial Purchaser in complying with Rule 15c2-12 (“Rule 15c2-12”) of the United States Securities and Exchange Commission (“SEC”).

Final Official Statement . . . The City has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Certificates, but will not prepare any other document or version for such purpose except as described below. The City will be responsible for completing the Official Statement by inserting the interest rates bid, the purchase price bid, the ratings assigned to the Certificates (if not currently included), and the initial public offering yields as set forth in the Official Bid Form, or otherwise supplied by the Initial Purchaser, and for preparing and inserting the final debt service schedule and inserting such other information as may be authorized within the meaning of Rule 15c2-12. The City does not intend to amend or supplement the Official Statement otherwise, except to take into account certain subsequent events, if any, as described below. Accordingly, the City has deemed the accompanying Preliminary Official Statement to be final as of its date, within the meaning of Rule 15c2-12, except for the omission of the foregoing items. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Initial Purchaser on or after the sale date, the City represents the same to be complete as of such date, within the meaning of Rule 15c2-12. Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are or will be made by the City are those described in the Preliminary Official Statement under “CERTIFICATION AS TO OFFICIAL STATEMENT.”

Changes to Official Statement; Further Disclosure . . . If, subsequent to the date of the Official Statement, the City becomes aware or is notified by the Initial Purchaser of any fact or event that would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City will promptly prepare and supply to the Initial Purchaser a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Initial Purchaser, unless the Initial Purchaser elects to terminate its obligation to purchase the Certificates as described below. See “DELIVERY OF THE CERTIFICATES AND ACCOMPANYING DOCUMENTS - Conditions to Delivery.” The obligation of the City to do so will terminate the date the Initial Purchaser is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than 25 days after the “end of the underwriting period” for the Certificates). Unless otherwise notified in writing by the Initial Purchaser, the Delivery Date will be treated as the “end of the underwriting period” for purposes of Rule 15c2-12.

Delivery of Official Statements . . . The City will furnish to the Initial Purchaser (and to each other participating underwriter of the Certificates, within the meaning of Rule 15c2-12, designated by the Initial Purchaser), within seven business days after the sale date, the aggregate number of Official Statements specified by the Initial Purchaser. The City will also furnish to the Initial Purchaser a like number of any supplement or amendment prepared by the City for dissemination to potential purchasers of the Certificates as described above as well as such additional copies of the Official Statement or any supplement or amendment as the Initial Purchaser may request the date the Initial Purchaser is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than 25 days after the “end of the underwriting period” for the Certificates). Unless otherwise notified in writing by the Initial Purchaser, the Delivery Date will be treated as the “end of the underwriting period” for purposes of Rule 15c2-12. The City will pay the expense of preparing up to 200 copies of the Official Statement and all copies of any supplement or amendment issued on or before the delivery date, but the Initial Purchaser must pay for all other copies of the Official Statement or any supplement or amendment thereto.

DELIVERY OF THE CERTIFICATES AND ACCOMPANYING DOCUMENTS

Delivery . . . Delivery of the Certificates to the Initial Purchaser on the Delivery Date will be at the corporate trust office of the Paying Agent/Registrar. Payment for the Certificates must be made in immediately available funds for unconditional credit to the City, or as otherwise directed by the City. The Initial Purchaser will be given five business days’ notice of the time fixed for delivery of the Certificates. It is anticipated that initial delivery can be made on or about October 15, 2019, and it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the Certificates at or before 10:00 A.M. CST, on October 15, 2019, or thereafter on the date

the Certificates are tendered for delivery up to and including October 22, 2019. If for any reason the City is unable to make delivery on or before October 22, 2019, then the City shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional 30 days. If the Initial Purchaser does not elect to extend its offer within five business days thereafter, then the Good Faith Deposit will be returned, and both the City and the Initial Purchaser shall be relieved of any further obligation.

CUSIP Numbers . . . It is anticipated that CUSIP identification numbers will be printed on the Certificates, but neither the failure to print such numbers on any Certificate nor any error with respect thereto shall constitute cause for a failure or refusal by the Initial Purchaser to accept delivery of and pay for the Certificates in accordance with the terms of this Official Notice of Sale and terms of the Official Bid Form. All expenses in relation to the printing of CUSIP numbers on the Certificates shall be paid for by the City. However, the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the Initial Purchaser.

Conditions to Delivery . . . The obligation of the Initial Purchaser to take up and pay for the Certificates is subject to the Initial Purchaser's receipt of (a) the approving opinion of the Attorney General of the State of Texas, (b) the legal opinion of McCall, Parkhurst & Horton L.L.P., San Antonio, Texas, Bond Counsel for the City, (c) the City's no-litigation certificate and (d) the certification as to the Official Statement, all as further described in the Preliminary Official Statement.

Legal Opinions . . . The City will furnish to the Initial Purchaser a transcript of certain proceedings held incident to the authorization and issuance of the Certificates, including the approving legal opinion of Bond Counsel substantially similar to the form of Bond Counsel opinion attached to the Preliminary Official Statement as Appendix D.

Change in Tax-Exempt Status . . . At any time before the Certificates are tendered for delivery, the Initial Purchaser may withdraw its bid if the interest on obligations such as the Certificates shall be declared to be includable in gross income under present federal income tax laws, either by ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable or be required to be taken into account in computing any federal income taxes, by the terms of any federal income tax law enacted subsequent to the date of this Official Notice of Sale.

Qualified Tax-Exempt Obligations . . . The City will, pursuant to the Ordinance, designate the Certificates as "qualified tax-exempt obligations." See discussion under the caption "TAX MATTERS - Qualified Tax-Exempt Obligations" contained in the Preliminary Official Statement.

No Material Adverse Change . . . The obligation of the Initial Purchaser to take up and pay for the Certificates, and of the City to deliver the Certificates, are subject to the condition that, up to the time of delivery of and receipt of payment for the Certificates, there shall have been no material adverse change in the condition (financial or otherwise) of the City subsequent to the date of sale from that set forth in the Preliminary Official Statement, as it may have been supplemented or amended through the date of delivery.

No-Litigation Certificate . . . With the delivery of the Certificates, a proper City official, on behalf of the City, will execute and furnish to the Initial Purchaser a certificate to the effect that no litigation of any nature has been filed or is then pending against the City, of which the City has notice, to restrain or enjoin the issuance or delivery of the Certificates or which would affect the provisions made for their payment or security, or in any manner question the validity of the Certificates, and that so far as is known and believed, no such litigation is threatened.

Certification as to Official Statement . . . At the time of payment for and delivery of the Certificates, the Initial Purchaser will be furnished a certificate, executed by an authorized City official, acting in his or her official capacity, to the effect that to the best of his or her knowledge and belief: (a) the descriptions and statements of or pertaining to the City contained in the Official Statement and any addenda, supplement or amendment thereto, on the date of such Official Statement, on the date of sale of the Certificates and acceptance of the best bid thereafter, and on the date of delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect; (c) insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the City, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the City believes to be reliable and that the City has no reason to believe that they are

untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the City since September 30, 2018, the date of the last audited financial statements of the City.

Continuing Disclosure Agreement . . . The offering of the Certificates qualifies for an exemption under Section (d)(2) of Rule 15c2-12. The City will agree in the Ordinance to provide certain periodic information and notices of certain events in accordance with Rule 15c2-12, as described in the Preliminary Official Statement under “CONTINUING DISCLOSURE OF INFORMATION”. The Initial Purchaser’s obligation to accept and pay for the Certificates is conditioned upon delivery to the Initial Purchaser or its agent of a certified copy of the Ordinance containing the agreement described under such heading.

GENERAL CONSIDERATIONS

Book-Entry-Only System . . . The City intends to utilize the Book-Entry-Only System of DTC. See “BOOK-ENTRY-ONLY SYSTEM” in the Preliminary Official Statement.

Future Registration . . . In the event the Book-Entry-Only System should be discontinued, the Certificates may be transferred, registered and exchanged only on the registration books of the Paying Agent/Registrar, and such registration shall be at the expense of the City, although the City or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of any Certificate. A Certificate may be transferred or exchanged upon surrender to the Paying Agent/Registrar accompanied by a written instrument of transfer acceptable to the Paying Agent/Registrar duly executed by the registered owner thereof or his attorney duly authorized in writing. Upon surrender for transfer of any Certificate to the Paying Agent/Registrar, the Paying Agent/Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Certificates of the same stated maturity and of any authorized denomination and of a like aggregate principal amount.

Record Date . . . The record date (“Record Date”) for the interest payable on any interest payment date means the close of business on the last day of the month next preceding such interest payment date.

Reservation of Rights . . . The City reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

Not an Offer to Sell . . . This Official Notice of Sale does not alone constitute an offer to sell the Certificates but is merely notice of sale of the Certificates. The offer to sell the Certificates to the Initial Purchaser is being made by means of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form, collectively.

Municipal Bond Ratings . . . The Certificates have been assigned a rating of “___” by S&P Global Ratings (“S&P”). See “RATINGS” in the Preliminary Official Statement.

Registration and Qualification Under Securities Laws . . . The offer and sale of the Certificates have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder; the Certificates have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; and the Certificates have not been registered or qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for registration or qualification of the Certificates under the securities laws of any jurisdiction in which the Certificates may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Certificates shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

By submission of a bid, the Initial Purchaser represents that its sale of the Certificates in states other than Texas will be made only pursuant to exemptions from registration or qualification or, where necessary, the Initial Purchaser will register and qualify the Certificates in accordance with the securities laws of any jurisdiction which so requires. The City agrees to cooperate, at the Initial Purchaser’s written request and expense, in registering or qualifying the Certificates, or in obtaining exemption from registration or qualification, in any state where such action is necessary; provided, however, that the City will not consent to service of process or qualify to do business in any such state.

Copies of Documents . . . Copies of the Official Notice of Sale, the Preliminary Official Statement, the Official Bid Form, the Ordinance and the City’s audited financial reports may be obtained at the offices of RBC Capital Markets, LLC, 303 Pearl Parkway, Suite 220, San Antonio, Texas 78215, (210) 805-1117, Financial Advisor to the City.

OFFICIAL BID FORM

City Council
 City of Victoria
 700 Main Center
 Victoria, Texas 77901

September 17, 2019

Council Members:

Reference is made to your "Official Notice of Sale" and "Preliminary Official Statement", dated September 1, 2019 of \$2,000,000 City of Victoria, Texas Certificates of Obligation, Series 2019 (the "Certificates"), both of which constitute a part hereof. We have read in detail the Official Notice of Sale and Preliminary Official Statement. We realize that the Certificates involve certain investment risks, and we have made such inspections and investigations as we deem necessary relating to the City and to the investment quality of the Certificates.

For your legally issued Certificates, as described in the Official Notice of Sale and Preliminary Official Statement, we will pay you a price of \$_____ (100% of par value), plus a cash premium of \$_____ (**no bid producing a premium that results in a dollar price of less than \$103.00 will be considered**), such Certificates to mature in the amounts and at the interest rates shown below:

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>
<u>August 15</u>	<u>Amount*</u>	<u>Rate</u>	<u>August 15</u>	<u>Amount*</u>	<u>Rate</u>
2020	\$ 80,000	___%	2030	\$ 100,000	___%
2021	70,000	___%	2031	105,000	___%
2022	70,000	___%	2032	105,000	___%
2023	75,000	___%	2033	110,000	___%
2024	80,000	___%	2034	115,000	___%
2025	80,000	___%	2035	120,000	___%
2026	85,000	___%	2036	125,000	___%
2027	90,000	___%	2037	130,000	___%
2028	90,000	___%	2038	135,000	___%
2029	95,000	___%	2039	140,000	___%

*Preliminary, subject to change

Of such principal maturities set forth above, we have created term certificates (the "Term Certificates") as indicated in the following table (which may include multiple Term Certificates, one Term Certificate, or no Term Certificates if none is indicated). For those years which have been combined into a Term Certificate, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years. The Term Certificates created are as follows:

<u>Term Certificate</u>	<u>Year of First</u>	<u>Principal Amount</u>	<u>Interest</u>
<u>Maturity Date</u>	<u>Mandatory</u>	<u>of Term Certificate</u>	<u>Rate</u>
<u>(August 15)</u>	<u>Redemption</u>		
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

Such Term Certificates are subject to mandatory sinking fund redemption in the years and in the amounts shown above and may be subject to optional redemption as stated in the Official Notice of Sale and Preliminary Official Statement.

TRUE INTEREST COST _____%

The Initial Certificate shall be registered in the name of _____. The Initial Certificate will, upon payment for the Certificates, be cancelled by the Paying Agent/Registrar. The definitive Certificates will then be registered in the name of Cede & Co. and delivered through the Book-Entry-Only System of the Depository Trust Company.

A Bank Cashier's Check from _____, _____, in the amount of \$40,000, which represents our Good Faith Deposit, (is attached hereto) (has been made available prior to the opening of this bid) and is submitted in accordance with the terms and conditions set forth in the Official Notice of Sale. If the Certificates are awarded to us, the Good Faith Deposit will remain uncashed and will be returned to us at the time of delivery of the Certificates by the City. Should we fail or refuse to make payment for and accept delivery of the Certificates in accordance with our bid, this check will be cashed and accepted by the City as full and complete liquidated damages.

We hereby represent that the sale of the Certificates in states other than Texas will be made only pursuant to exemptions from registration of qualification or that, where necessary, we will register or qualify the Certificates in accordance with the securities laws of the states in which the Certificates are offered or sold.

We agree to accept delivery of and make payment for the Certificates in immediately available funds at the offices of Wilmington Trust, N.A., Dallas, Texas, at or before 10:00 A.M., C.D.T., on October 15, 2019, or thereafter on the date the Certificates are tendered for delivery, pursuant to the terms set forth in the Official Notice of Sale.

We agree to complete, execute and deliver to the City's Financial Advisor, RBC Capital Markets, LLC, at least five business days before the delivery date of the Certificates, a certificate as to the "issue price" of the Certificates in the form and to the effect attached to or accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to the City. The undersigned also agrees to provide the City and its consultants, at least ten (10) business days' prior to the delivery of the Certificates, a breakdown of its "underwriting spread" among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any), and Spread Expenses (if any).

For purposes of contracting for the sale of the Certificates, the entity signing the bid form as Purchaser shall be solely responsible for the payment of the purchase price of the Certificates. The Purchaser may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the City is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

The undersigned certifies that the Purchaser [is]/[is not] exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

Upon notification of conditional verbal acceptance and if required, the undersigned will complete, in accordance with the requirement in the Official Notice of Sale, an electronic form of the Certificate of Interested Parties Form 1295 (the "Disclosure Form") through the Texas Ethics Commission's (the "TEC") electronic portal and the resulting certified Disclosure Form that is generated by the TEC's electronic portal will be printed, signed (physical or PDF), and sent by email to the City at greyne@victoriatx.org, to the City's Financial Advisor at Robert.d.traylor@rbccm.com, and to the City's Bond Counsel at sibarra@mphlegal.com. The undersigned understands that the failure to provide the certified Disclosure Form will prohibit the City from providing final written award of the enclosed bid.

No Boycott of Israel Verification. The undersigned hereby verifies that, at the time of execution and delivery of this bid, to the extent this Official Bid Form is a contract for goods or services, neither the bidder nor any syndicate member listed on this Official Bid Form, nor any parent company, wholly-or majority owned subsidiaries, and other affiliates of the same, if any, boycotts Israel or will boycott Israel through the date of delivery of the Certificates. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycotts Israel" and "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The bidder understands "affiliate" to mean an entity that (i) controls, is controlled by, or is under common control with the bidder or any syndicate member listed on this Official Bid Form and (ii) exists to make a profit.

Compliance with Law Prohibiting Contracts with Companies that Engage in Business with Foreign Terrorist Organizations. By submission of this bid, and as a condition of the award and delivery of the Certificates, the undersigned hereby represents that, neither the bidder nor any syndicate member listed on this Official Bid Form, nor any parent company, wholly-or majority owned subsidiaries, and other affiliates of the same, if any, are companies identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the bidder, any syndicate member listed on this Official Bid Form and each parent company, wholly-or majority-owned subsidiaries, and other affiliates of the same, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The bidder understands "affiliate" to mean any entity that (i) controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form and (ii) exists to make a profit.

If this bid is accepted by the City, this bid shall thereupon become a contract of purchase for the Certificates under the terms contained in this Official Bid Form and in the Official Notice of Sale. We hereby acknowledge that we have received and read the entire Official Notice of Sale and Preliminary Official Statement referred to above.

Respectfully Submitted,

(Purchaser)

(Signature - Title)

(Telephone)

[City Signature Page Follows]

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby accepted by the City of Victoria, Texas, subject to and in accordance with the Official Notice of Sale and Official Bid Form, this _____ day of September, 2019.

Mayor
City of Victoria, Texas

ATTEST:

City Secretary
City of Victoria, Texas

ISSUE PRICE CERTIFICATE
(Sales where at least 3 bids are received from underwriters)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Purchaser”), with respect to the purchase at competitive sale of the Certificates of Obligation, Series 2019, issued by the City to Victoria, Texas (“Issuer”) in the principal amount of \$_____ (“Certificates”), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Certificates by the Purchaser, the Purchaser’s reasonably expected initial offering prices of each maturity of the Certificates with the same credit and payment terms (the “Expected Offering Prices”) to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Certificates, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Certificates used by the Purchaser in formulating its bid to purchase the Certificates.

(b) The Purchaser had an equal opportunity to bid to purchase the Certificates and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

(c) The bid submitted by the Purchaser constituted a firm bid to purchase the Certificates.

(d) The Purchaser has []/has not [] purchased bond insurance for the Certificates. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$_____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Certificates. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Certificates, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Certificates in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the Public) to participate in the initial sale of the Certificates to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

[Signature Page Follows]

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____.

_____, as Purchaser

By: _____

Name: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

ISSUE PRICE CERTIFICATE
(Sales where at least 3 bids are not received from underwriters)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Purchaser”), with respect to the purchase at competitive sale of the Certificates of Obligation, Series 2019, issued by the City of Victoria, Texas (“Issuer”) in the principal amount of \$_____ (“Certificates”), hereby certifies and represents, based on its records and information, as follows:

(a) Other than the Certificates maturing in _____ (“Hold-the-Price Maturities”), if any, the first prices at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Certificates having the same credit and payment terms (“Maturity”) was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (“Public”) are their respective initial offering prices (the “Initial Offering Prices”), as listed in the pricing wire or equivalent communication for the Certificates that is attached to this Certificate as Schedule A.

(b) On or before the first day on which there is a binding contract in writing for the sale of the Certificates (“Sale Date”), the Purchaser offered to the Public each Hold-the-Price Maturity at their respective Initial Offering Prices, as set forth in Schedule A hereto.

(c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Maturity of the Certificates to the Public at no higher price than the Initial Offering Price for such Maturity.

(d) The Purchaser has /has not purchased bond insurance for the Certificates. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$_____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Certificates. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Certificates, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Certificates in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the Public) to participate in the initial sale of the Certificates to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

[Signature Page Follows]

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____.

_____, as Purchaser

By: _____

Name: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)