

This Official Notice of Sale does not alone constitute an invitation for bids but is merely notice of sale of bonds described herein. The invitation for such bids is being made by means of this Official Notice of Sale, the Official Bid Form and the Preliminary Official Statement.

## OFFICIAL NOTICE OF SALE

**\$2,200,000**

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT No. 50**  
**(A political subdivision located within Harris County, Texas)**

**UNLIMITED TAX BONDS**  
**SERIES 2020**

### **Bonds Offered for Sale at Competitive Bid:**

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 50 (the "District") is offering for sale at competitive bid \$2,200,000 Unlimited Tax Bonds, Series 2020 (the "Bonds").

1. Deliver bids directly to the District as described below in "Sealed Bids Delivered to the District;"
2. Submit electronic bids through the facilities of PARITY as described below in "Electronic Bidding Procedures;"
3. Submit bids by telephone as described below in "Bids by Telephone."

### **Bid Opening:**

The District will open sealed bids, and envelopes provided for purposes of electronic bidding and bids by telephone, for the purchase of the Bonds on Thursday, February 27, 2020, at 11:00 a.m. Houston time, at the offices of The GMS Group, L.L.C., 5075 Westheimer, Suite 1175, Houston, TX 77056-5606. The GMS Group, L.L.C. (the District's Financial Advisor) will review the bids at 11:00 a.m. at the offices of The GMS Group, L.L.C. The Board will take action to reject the bids or accept the bid that produces the lowest net effective interest rate for the Bonds at a meeting to be held on Thursday, February 27, 2020, at 6:00 p.m., Houston time at the District's meeting place located at 12900 Crosby Lynchburg Road, Barrett Station (Crosby), TX 77089.

### **Sealed Bids Delivered Directly to the District:**

Sealed bids, which must be submitted in duplicate on the Official Bid Form and plainly marked "Bid for Bonds", are to be addressed to "President and Board of Directors, Harris County Municipal Utility District No. 50." All bids must be delivered to the above address prior to the above scheduled time for bid opening. Any bid received after such scheduled time for bid opening will not be accepted and will be returned unopened.

### **Electronic Bidding Procedures:**

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 11:00 a.m., Houston time on Thursday, February 27, 2020. No bids will be accepted after this time, as specified. Subscription to the i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds 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 District. The District 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 PARITY Customer Support, 40 West 23rd Street, 5th Floor, New York, NY 10010, telephone: (212) 806-8304.

For purposes of both the written sealed 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 net interest cost to the District, as described under "CONDITIONS OF THE SALE – Basis of 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 may make bids by telephone pursuant to arrangements made with the District’s Financial Advisor John Howell, The GMS Group, (713) 622-7620.

**Award of the Bonds:**

The Board will take action to adopt an order authorizing the issuance and awarding sale of the Bonds or will reject all bids promptly after the opening of the bids. The Board reserves the right to reject any and all bids and to waive any irregularities except time of filing.

No bid will be accepted unless the provider of such bid complies with the requirements listed in “CONDITIONS OF SALE – Provision of Texas Ethics Commission Form 1295 (“TEC Form 1295”) and Certification of Filing by Bidders.”

**THE BONDS**

**Description of Certain Terms of the Bonds:**

The Bonds will be dated March 1, 2020, with interest payable on September 1, 2020, and each March 1 and September 1, thereafter until the earlier of maturity or redemption. The Paying Agent/Registrar for the Bonds is Zions Bancorporation, National Association, Houston, Texas (the "Registrar" or "Paying Agent/Registrar"). The District intends to utilize the Book-Entry-Only System of the Depository Trust Company ("DTC"). See "BOOK-ENTRY-ONLY SYSTEM" in the Official Statement. The Bonds will mature serially on March 1, as follows:

<u>Year</u>	<u>Principal</u>	<u>Year</u>	<u>Principal</u>
2021	\$25,000	2035	\$85,000
2022	\$25,000	2036	\$85,000
2023	\$25,000	2037	\$90,000
2024	\$25,000	2038	\$95,000
2025	\$25,000	2039	\$100,000
2026	\$25,000	2040	\$105,000
2027	\$25,000	2041	\$110,000
2028	\$25,000	2042	\$110,000
2029	\$65,000	2043	\$115,000
2030	\$65,000	2044	\$125,000
2031	\$70,000	2045	\$130,000
2032	\$75,000	2046	\$135,000
2033	\$75,000	2047	\$140,000
2034	\$80,000	2048	\$145,000

The Bonds maturing on or after March 1, 2026, are subject to redemption at the option of the District, prior to maturity, in whole or, from time to time, in part, on March 1, 2025, or on any date thereafter, at a price of the par value thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. If less than all of the Bonds are redeemed at any time, the Bonds to be redeemed shall be selected by the Paying Agent/Registrar on behalf of the District. The registered owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bond so called for redemption and the issuance of a new Bond in the principal amount equal to the portion of the Bond not redeemed.

**Term Bonds; Mandatory Sinking Fund:**

Any successful bidder may elect in its written bid to alter the Maturity schedule reflected on the cover by converting the Serial Bonds maturing in the years 2026 through 2048 into “Term Bonds”, such Term Bonds shall be subject to mandatory redemption on the March 1 next following the last maturity for Serial Bonds in the same principal amount as shown on the Maturity Schedule shown on the cover page, and annually thereafter on each March 1, until the stated principal amount of the Term Bonds to be redeemed on each mandatory redemption date shall be the principal amount that would have been due and payable in the maturity Schedule shown on the cover had no conversion to Term Bond occurred. At least thirty (30) days prior to each mandatory redemption date, the Paying Agent/Registrar shall select by lot the Term Bonds to be redeemed and issue a notice of redemption.

**Successor Paying Agent/Registrar:**

Provision is made in the Bond Order for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new Paying Agent/Registrar shall accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any Paying Agent/Registrar selected by the District shall be either a national or state banking institution, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform the duties as Paying Agent/Registrar.

**Security for Payment:**

The Bonds, when issued, will constitute valid and binding obligations of the District, payable as to the principal and interest from the proceeds of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District, all to the extent and upon the conditions described in the Preliminary Official Statement.

**No Municipal Bond Rating:**

No application has been made to a rating company for a rating on the Bonds, nor is it expected that the District would have been successful in obtaining an investment grade rating had such application been made. No application has been made to a bond insurance company for bond insurance, nor is it expected that the District would have been successful in obtaining bond insurance had such application been made.

**CONDITIONS OF SALE**

**Types of Bids and Interest Rates:**

The Bonds will be sold in one block on an "all or none" basis and at a price of not less than 97% of the par value thereof plus accrued interest from the date of the Bonds to the date of delivery. Bidders are to name the rates of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. All Bonds maturing within a single year must bear the same rate of interest.

The net effective interest rate on the Bonds may not exceed 4.74% as calculated pursuant to Tex. Gov't. Code Section 1204.005 (Vernon 1999, as amended). Subject to the above conditions, no limitation will be imposed upon bidders as to the number of interest rates or changes in interest rates which may be used, but the highest interest rate bid in any maturity may not exceed the lowest interest rate bid in any other maturity by more than two and one half (2-1/2%) percentage points. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid.

**Basis of Award:**

For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the interest rates specified therein, the total dollar value of all interest on the Bonds from the date thereof to their respective maturities and adding thereto the discount, if any. Subject to the District's right to reject any or all bids, sale of the Bonds will be awarded to the bidder (the "Underwriter") whose bid, under the above computation, produces the lowest net interest cost to the District. In the event of mathematical discrepancies between the interest rates and the interest costs determined therefrom, as both appear on the Official Bid Form the bid will be solely governed by the interest rates named therein.

**Good Faith Deposit:**

Each bid must be accompanied by a bank's cashier's check, payable to the order of Harris County Municipal Utility District No. 50, in the amount of \$44,000 (the "Good Faith Deposit"). The Good Faith Deposit submitted by the Underwriter will be retained uncashed by the District pending the Underwriter's compliance with the terms of the Official Bid Form and the Official Notice of Sale. In the event the Underwriter should fail or refuse to accept delivery of and pay for the Bonds in accordance with its bid, then the check will be cashed and the proceeds accepted by the District as full and complete liquidated damages. A Good Faith Deposit may accompany the Official Bid Form or may be submitted separately; if submitted separately, it shall be made available to the District 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 by the bidder(s) to be named in such instructions.

**Provision of Texas Ethics Commission Form 1295 ("TEC Form 1295") by Bidders:**

Pursuant to Texas Government Code § 2252.908 (the "Interested Party Disclosure Act" or the "Act"), the District may not award the Bonds to a bidder that is a privately held entity unless the bidder, and each privately held syndicate member listed on the Official Bid Form, have provided to the District (c/o Norton Rose Fulbright US LLP, Attn: Reginald Wilson, 1301 McKinney, Suite 5100, Houston, Texas, 77010) a completed and signed TEC Form 1295 which has been assigned a certificate number by the Texas Ethics Commission (the "TEC"). Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website, assigned a certificate number, printed, signed, and provided to the District. The TEC Form 1295 may be provided to the District via facsimile or electronically prior to the time prescribed for the award of the Bonds (12:00 noon Houston time on Thursday, February 27, 2020). However, the original signed TEC Form 1295 complete with certificate number must be physically delivered to the District (c/o Norton Rose Fulbright US LLP, Attn: Reginald Wilson, 1301 McKinney, Suite 5100, Houston, Texas 77010) within three business days of the award (Tuesday, March 3, 2020). Following the award of the Bonds, the

District will notify the TEC of the receipt of each completed TEC Form 1295. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein or to waive any such requirements. For purposes of completing the TEC Form 1295, the entity's name is Harris County Municipal Utility District No. 50 and the contract ID number is HCMUD50-S2020-B. Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the apparent winning bid.

**Compliance with Laws Prohibiting Contracts with Companies that Boycott Israel and Certain Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations:**

In *Amawi v. Pflugerville Independent School District* (1:18-cv-01091), the United States District Court for the Western District of Texas issued a preliminary injunction (the “NBI Injunction”) preventing the defendants, including the State of Texas, from enforcing Texas Government Code § 2270.001 *et seq.*, or any “No Boycott of Israel” clause in any state contract while litigation proceeds. On May 7, 2019, House Bill 793, 86th Texas Legislature, Regular Session, became law, amending Texas Government Code § 2270.001 *et seq.*, now codified at Texas Government Code § 2271.001 *et seq.*, to remedy issues raised in *Amawi v. Pflugerville Independent School District*. On May 10, 2019, the Texas Attorney General filed a Motion to Stay the NBI Injunction with the United States Court of Appeals for the Fifth Circuit. In light of the foregoing recent developments, the following representation is provided by the Underwriter to avoid any uncertainty regarding the authority of the District. Pursuant to Chapter 2271, Texas Government Code, the District will not award the Bonds to a bidder unless the bidder verifies that, at the time of execution and delivery of its bid and, except to the extent otherwise required by applicable federal law, to the date of the delivery of the Bonds, neither the bidder nor any syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott Israel. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended. Such verification is included in the Official Bid Form attached to this Notice of Sale.

Additionally, the District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, to the extent the Official Bid Form represents a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2271 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of its bid and through the delivery date of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>1</sup> that boycotts or will boycott Israel. The term “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended. Additionally, the District will not award the Bonds to a bidder unless the bidder certifies that, to the extent the Official Bid Form represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of its bid, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>2</sup> (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term “foreign terrorist organization” as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

**DELIVERY AND ACCOMPANYING DOCUMENTS**

**CUSIP Numbers:**

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the Underwriter to accept delivery of or make payment for the Bonds in accordance with the terms of the Official Bid Form and this Official Notice of Sale. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the District; however, the CUSIP Service Bureau charge for the assignment of the numbers shall be paid by the Underwriter.

**Delivery of Initial Bonds:**

Initial delivery will be accomplished by the issuance of one initial Bond (the "Initial Bond"), either in typed or printed form, in the aggregate principal amount of \$2,200,000 registered in the name of Cede & Co., signed by manual or facsimile signature by the President and Secretary of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas or his authorized deputy. Initial delivery will be at the Houston, Texas trust office of the Paying Agent/Registrar. One definitive Bond for each maturity will be registered and delivered only to Cede & Co.,

<sup>1</sup> “Company” means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

<sup>2</sup> “Company” means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

and deposited with DTC in connection with DTC's Book-Entry-Only System. Payment of the Initial Bond must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Underwriter will be given six (6) business days' notice of the date fixed for delivery of the Initial Bond. It is anticipated that initial delivery can be made on or about March 31, 2020, and it is understood and agreed that the Underwriter will accept delivery and provide payment for the Initial Bond by 10:00 A.M., (Houston time) on March 31, 2020, or thereafter on the date the Bonds are tendered for delivery, up to and including April 23, 2020. If for any reason the District is unable to make delivery on or before April 23, 2020, then the District shall immediately contact the Underwriter and offer to allow the Underwriter to extend its offer for an additional thirty (30) days. If the Underwriter does not elect to extend its offer within six (6) days thereafter, then its Good Faith Deposit will be returned, and both the District and the Underwriter shall be relieved of any further obligation. In no event shall the District be liable for any damages by reason of its failure to deliver the Initial Bond, provided such failure is due to circumstances beyond the District's reasonable control.

#### **DTC Definitive Bonds:**

After delivery of the initial bonds, the Bonds will be issued in book-entry-only form. Cede & Co. is the nominee for DTC. All references herein to the Registered Owners of the Bonds shall mean Cede & Co. and not the Beneficial Owners of the Bonds. Purchase of beneficial interests in the Bonds will be made in book-entry-only form (without registered Bonds) in the denomination of \$5,000 principal amount or any integral multiple thereof. Under certain limited circumstances described herein, the District may determine to forego immobilization of the Bonds at DTC, or another securities depository, in which case, such beneficial interests would become exchangeable for one or more fully registered Bonds of like principal amount for the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" in the Preliminary Official Statement.

#### **Initial Exchange for Definitive Bonds:**

Upon presentation by the Underwriter of the Initial Bond to the Paying Agent/Registrar, the Paying Agent/Registrar shall, in the time and manner provided in the Bond Order, exchange the Initial Bond for registered Bonds in denominations of \$5,000 or any integral multiple thereof in the name of Cede & Co. for DTC.

#### **Conditions of Delivery:**

The Underwriter's obligation to take delivery and pay for the Initial Bond is subject to the issuance of the Texas Attorney General's opinion and the Underwriter's receipt of the legal opinion of Bond Counsel and the no-litigation certificate, all as described below.

#### **Continuing Disclosure Agreement:**

The District will agree in the Bond Order to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Preliminary Official Statement under "Continuing Disclosure of Information." The Underwriter's obligation to accept and pay for the Bonds is conditioned upon delivery to the Underwriter or its agent of a certified copy of the Bond Order containing the agreement described under such heading.

#### **Compliance with Prior Undertakings:**

The District failed to timely make its annual continuing disclosure filing for Fiscal Years Ended in 2018 and 2019. The District subsequently filed the missing information, including the notices of late filing, and has enacted procedures to ensure such oversights do not occur in the future with respect to any of the District's annual filing obligations. Otherwise, during the last five years, the District has complied in all material respects with its previous continuing disclosure agreements in accordance with SEC Rule 15c2-12.

#### **Legal Opinion:**

The District will furnish to the Underwriter a transcript of certain proceedings held incident to the authorization and issuance of the Bonds, including a certified copy of the unqualified approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and legally binding obligations of the District. The District will also furnish the approving legal opinion of Norton Rose Fulbright US LLP, Houston, Texas, Bond Counsel for the District ("Bond Counsel"), to the effect that, based upon an examination of the transcript of proceedings, the Bonds are validly issued under the Constitution and laws of the State of Texas, and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing law subject to the matters described in "TAX MATTERS" in the Official Statement.

Errors or omissions in the printing of such legal opinion shall not affect the validity of the Bonds nor constitute cause for the failure or refusal by the Underwriter to accept delivery and to pay for the Bonds.

**No-Litigation Certificate:**

On the date of delivery of the Initial Bond to the Underwriter, the District will deliver to the Underwriter a certificate, dated as of the same date, to the effect that there is no litigation of any nature pending or, to the knowledge of the signatories, threatened, to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security, or in any manner question the validity of the Bonds.

**Competitive Bidding and Certificate of Underwriter:**

In the event that the District does not receive sufficient qualified bids to satisfy the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i), allowing the District to treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds, the “hold-the-offering-price rule” shall apply, which will allow the District to treat the initial offering price to the public of each maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule applies to any maturity of the Bonds, the Underwriter will neither offer nor sell that 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 the following: (i) the date on which the Underwriter has sold at least 10 percent of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public or (b) the close of the fifth business day after the sale date. The Underwriter agrees to promptly report to the District’s financial advisor when it has sold 10 percent of a maturity of the Bonds 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 business day after the sale date. Alternative Certificates of Underwriter are attached for use (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

**Establishment of Issue Price (Hold-the-Offering Price Rule Will Apply if Competitive Sale Requirements are Not Satisfied:**

(a) The winning bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District by the date of delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as “Issue Price Certificate – Federal Tax Competitive Bidding Requirements Met,” with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Bond Counsel. All actions to be taken by the District under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District’s municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District’s municipal advisor.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (1) the District shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the District shall so advise the winning bidder. In such event, the District intends to treat the initial offering price to the public as of the sale date of each maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”). The District shall promptly advise the winning bidder, at or before the time of award of the Bonds, if the competitive sale requirements were not satisfied, in which case the hold-the-offering-price rule shall apply to the Bonds. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied and the hold-the-offering-price rule applies. In the event that the competitive sale requirements are not satisfied, the issue price certificate shall be in the form attached hereto as “Issue Price Certificate – Federal Tax Competitive Bidding Requirements Not Met,” as modified as necessary in the reasonable judgment of Bond Counsel and the District.

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule applies 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 the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds 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 District when the underwriters have sold 10% of that maturity of the Bonds 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.

(e) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail or other third party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail or other third party distribution agreement and the related pricing wires. The District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail or other third party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(f) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail or other third party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds 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 retail or other third party distribution agreement, as applicable, to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail or other third party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail or other third party distribution agreement to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(g) Sales of any Bonds 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. Further, for purposes of this section of the Notice of Sale:

- (1) "public" means any person other than an underwriter or a related party,
- (2) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds 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 Bonds to the public (including a member of a selling group or a party to a retail or other third party distribution agreement participating in the initial sale of the Bonds to the public),
- (3) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser 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
- (4) "sale date" means the date that the Bonds are awarded by the District to the winning bidder.

### **Qualified Tax-Exempt Obligations:**

Section 265(a) of the Internal Revenue Code of 1986, as amended, ("the Code") requires a pro rata reduction in the interest expense deduction of a financial institution to reflect such financial institution's investment in tax-exempt obligations acquired after August 7, 1986. An exception to the foregoing provision is provided in the Code for "qualified tax-exempt obligations," which include tax-exempt obligations, such as the Bonds that are: (a) designated by the issuer as "qualified tax-exempt obligations," and (b) issued by a political subdivision for which the aggregate amount of tax-exempt obligations (not including private activity bonds other than qualified 501(c)(3) bonds) to be issued during the calendar year is not expected to exceed \$10,000,000.

The District will designate the Bonds as "qualified tax-exempt obligations" and will represent that the aggregate amount of tax-exempt bonds (including the Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2020 is not expected to exceed \$10,000,000 and that the District and entities aggregated with the District under the Code have not designated more than \$10,000,000 in "qualified tax-exempt obligations" (including the Bonds) during calendar year 2020.

Notwithstanding this exception, financial institutions acquiring the Bonds will be subject to a twenty percent (20%) disallowance of allocable interest expense.

### **GENERAL CONSIDERATIONS**

#### **Assignment, Transfers, and Exchanges:**

If the Bonds are no longer held in the book-entry-only system of DTC, the Bonds may be transferred, registered and assigned only on the registration books (the "Register") of the Paying Agent/Registrar, and such registration (exclusive of any tax or governmental charge therefore) shall be at the expense of the District. A Bond may be assigned by execution of the assignment form on the Bonds. New Bonds will be delivered by the Paying Agent/Registrar to the last assignee (the new registered owner) in exchange for such transferred and assigned Bonds not more than three (3) days after receipt of the Bonds to be transferred in proper form. New Bonds must be in the denomination of \$5,000 for any one maturity, or any integral multiple thereof. The Bonds are transferable only on the Register upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity in any authorized denomination upon surrender of the Bonds to be exchanged at the principal corporate trust office of the Paying Agent/Registrar.

#### **Record Date:**

The record date ("Record Date") for the interest payable on any interest payment date means the 15th calendar day of the month next preceding such interest payment date.

#### **Limitation on Transfers and Exchanges:**

Neither the District nor the Paying Agent/Registrar is required (1) to transfer or exchange any Bond during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of Bonds hereunder and ending at the close of business on the day of such mailing or (2) thereafter to transfer or exchange in whole or in part any Bond so selected for redemption.

#### **Investment Considerations:**

The Bonds involve special investment considerations. Prospective bidders are urged to examine carefully the Preliminary Official Statement with respect to the investment risks pertaining to the Bonds. Particular attention should be given to the information set forth therein under "RISK FACTORS."

#### **No Registration or Qualification Under Securities Laws:**

The offer and sale of the Bonds has not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas, as amended, in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions. In those jurisdictions where persons registered or licensed as dealers or brokers may offer and sell the Bonds, it is assumed that such persons have complied and will comply with all applicable statutes and regulations concerning dealers and brokers and concerning the registration or licensing of agents or salesmen.



By the submission of its bid, the Underwriter represents that the offer and sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or qualification, or where necessary, the Underwriter will register or qualify the Bonds in accordance with the securities laws of the states in which the Bonds are offered or sold. The District agrees to cooperate, at the Underwriter's written request and expense, in registering or qualifying the Bonds, or in obtaining an exemption from registration or qualification in any state where such action is necessary. Such qualification, however, shall not require the District to subject itself to service of process outside of the State of Texas.

### **OFFICIAL STATEMENT**

Upon sale of the Bonds, the Preliminary Official Statement relating to the Bonds will be amended to conform to the terms of the Underwriter's bid and to make any other necessary changes. In order to permit completion of the Official Statement, the Underwriter will be required to furnish information concerning reoffering yields of the Bonds as well as the names of the members of its underwriting syndicate, if any.

#### **Final Official Statement:**

The District has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds. The District will prepare a final Official Statement which will describe the reoffering yields and underwriting discount bid, the interest rates for the Bonds determined as described above, and the final debt service schedule and ratios and tax rates consequent thereon. The District does not intend to amend or supplement the Preliminary or final Official Statement, except to take into account certain subsequent events, if any, as described below. Accordingly, the District deems the accompanying Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), 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 Underwriter on or after the sale date, the District represents the same to be complete as of such date, within the meaning of SEC Rule 15c2-12(e)(3). 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 District are those described in the Official Statement under "OFFICIAL STATEMENT--Certification of Official Statement."

#### **Changes to Official Statement:**

If, subsequent to the date of the Official Statement, the District learns or is notified by the Underwriter of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the District will promptly prepare and supply to the Underwriter a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Underwriter, unless the Underwriter elects to terminate its obligation to purchase the Bonds as described above. See "DELIVERY AND ACCOMPANYING DOCUMENTS--Conditions to Delivery." The obligation of the District to supplement the Official Statement will terminate when the District delivers the Bonds to the Underwriter, unless the Underwriter notifies the District that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation will extend for an additional period of time (but not for more than 90 days after the sale date) until all of the Bonds have been sold to ultimate purchasers.

#### **Delivery of Official Statements:**

The District will furnish to the Underwriter (and to each other participating underwriter of the Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Underwriter), within seven (7) business days after the sale date, the aggregate number of Official Statements specified in the winning bid. The District will also furnish to the Underwriter a like number of any supplements or amendments prepared by the District for dissemination to potential purchasers of the Bonds as described above, as well as such additional copies of the Official Statement or any supplements or amendments as the Underwriter may request prior to the 90th day after the end of the underwriting period referred to in SEC Rule 15c2-12(e)(2). The District will pay the expense of preparing up to 50 copies of the Official Statement and all copies of any supplements or amendments issued on or before the delivery date, but the Underwriter must pay for all other copies of the Official Statement or any supplements or amendments thereto. The District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement to anyone other than the Underwriter. However, the District will submit a copy of the Official Statement to all state and national Municipal Securities Information Repositories.

#### **Additional Copies:**

Additional copies of this Official Notice of Sale, the Official Bid Form and the Preliminary Official Statement may be obtained from John Howell, Senior Vice President, The GMS Group, L.L.C., 5075 Westheimer, Suite 1175, Houston, Texas 77056-5606, (713) 622-7620.

Board of Directors  
Harris County Municipal Utility District No. 50

**CERTIFICATE OF UNDERWRITER – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET**

The undersigned hereby certifies as follows with respect to the sale of \$2,200,000 Harris County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2020 (the “Bonds”):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the “Underwriter”) that has purchased the Bonds from Harris County Municipal Utility District No. 50 (the “District”) at competitive sale.
2. The Underwriter was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Underwriter constituted a firm bid to purchase the Bonds. Attached as Exhibit A is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.
3. As of the sale date, the reasonably expected initial offering prices of the Bonds to the public by the Underwriter (expressed as a percentage of principal amount and exclusive of accrued interest) is as set forth below (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Bonds used by the Underwriter in formulating its bid to purchase the Bonds.

<u>Principal</u>	<u>Maturity</u>	<u>Offering Yield</u>	<u>Principal</u>	<u>Maturity</u>	<u>Offering Yield</u>
\$25,000	2021	_____ %	\$85,000	2035	_____ %
\$25,000	2022	_____ %	\$85,000	2036	_____ %
\$25,000	2023	_____ %	\$90,000	2037	_____ %
\$25,000	2024	_____ %	\$95,000	2038	_____ %
\$25,000	2025	_____ %	\$100,000	2039	_____ %
\$25,000	2026	_____ %	\$105,000	2040	_____ %
\$25,000	2027	_____ %	\$110,000	2041	_____ %
\$25,000	2028	_____ %	\$110,000	2042	_____ %
\$65,000	2029	_____ %	\$115,000	2043	_____ %
\$65,000	2030	_____ %	\$125,000	2044	_____ %
\$70,000	2031	_____ %	\$130,000	2045	_____ %
\$75,000	2032	_____ %	\$135,000	2046	_____ %
\$75,000	2033	_____ %	\$140,000	2047	_____ %
\$80,000	2034	_____ %	\$145,000	2048	_____ %

4. The Underwriter [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the “Insurer”) for a fee of \$\_\_\_\_\_ (net of any non-guarantee 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, arms-length charge for the transfer of credit risk. 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 Bonds, 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 Bonds in an amount which would exceed the portion of such fee that had not been earned.

5. The term “public” means any person (including an individual, trust, estate, partnership, association, company or corporation) other than a tax law underwriter or a related party to a tax law underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly. The term “tax law underwriter” means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail or other third party distribution agreement participating in the initial sale of the Bonds to the public).

6. Sale date means the first date on which there is a binding contract in writing for the sale of the Bonds. The sale date of the Bonds is February 27, 2020.

7. The undersigned understands that the statements made herein above will be relied upon by the District and Norton Rose Fulbright US LLP in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

8. The undersigned has calculated the total underwriting spread on the Bonds to be \$\_\_\_\_\_. As used herein, the term "total underwriting spread" means the cost for marketing and selling the Bonds, and includes (a) a total take down of \$\_\_\_\_\_, (b) a total management fee of \$\_\_\_\_\_, (c) fees and expenses of Underwriter's counsel in the estimated total amount of \$\_\_\_\_\_, and (d) other expenses in the total estimated amount of \$\_\_\_\_\_.

EXECUTED AND DELIVERED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
(Name of Underwriter or Manager)

By \_\_\_\_\_

Title \_\_\_\_\_

**[EXHIBIT A – PURCHASER'S BID]**  
***Attached hereto***

**CERTIFICATE OF UNDERWRITER – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS NOT MET \***

The undersigned hereby certifies as follows with respect to the sale of \$2,200,000 Harris County Municipal Utility District No. 50 Unlimited Tax Bonds, Series 2019 (the “Bonds”):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the “Underwriter”) that has purchased the Bonds from Harris County Municipal Utility District No. 50 (the “District”) at competitive sale.

2. As of the date of this Certificate, for each of the following maturities (the “Sold Maturities”), the first price at which a substantial amount (at least ten percent) of such maturity was sold to the public (expressed as a percentage of principal amount and exclusive of accrued interest) is set forth below:

<u>Principal</u>	<u>Maturity</u>	<u>Offering Yield</u>	<u>Principal</u>	<u>Maturity</u>	<u>Offering Yield</u>
\$25,000	2021	_____ %	\$85,000	2035	_____ %
\$25,000	2022	_____ %	\$85,000	2036	_____ %
\$25,000	2023	_____ %	\$90,000	2037	_____ %
\$25,000	2024	_____ %	\$95,000	2038	_____ %
\$25,000	2025	_____ %	\$100,000	2039	_____ %
\$25,000	2026	_____ %	\$105,000	2040	_____ %
\$25,000	2027	_____ %	\$110,000	2041	_____ %
\$25,000	2028	_____ %	\$110,000	2042	_____ %
\$65,000	2029	_____ %	\$115,000	2043	_____ %
\$65,000	2030	_____ %	\$125,000	2044	_____ %
\$70,000	2031	_____ %	\$130,000	2045	_____ %
\$75,000	2032	_____ %	\$135,000	2046	_____ %
\$75,000	2033	_____ %	\$140,000	2047	_____ %
\$80,000	2034	_____ %	\$145,000	2048	_____ %

3. As of the sale date for the Bonds, each of the following maturities (the “Unsold Maturities”) was offered to the public for purchase at the price (expressed as a percentage of principal amount and exclusive of accrued interest) set forth below:

<u>Principal</u>	<u>Maturity</u>	<u>Offering Yield</u>	<u>Principal</u>	<u>Maturity</u>	<u>Offering Yield</u>
\$25,000	2021	_____ %	\$85,000	2035	_____ %
\$25,000	2022	_____ %	\$85,000	2036	_____ %
\$25,000	2023	_____ %	\$90,000	2037	_____ %
\$25,000	2024	_____ %	\$95,000	2038	_____ %
\$25,000	2025	_____ %	\$100,000	2039	_____ %
\$25,000	2026	_____ %	\$105,000	2040	_____ %
\$25,000	2027	_____ %	\$110,000	2041	_____ %
\$25,000	2028	_____ %	\$110,000	2042	_____ %
\$65,000	2029	_____ %	\$115,000	2043	_____ %
\$65,000	2030	_____ %	\$125,000	2044	_____ %
\$70,000	2031	_____ %	\$130,000	2045	_____ %
\$75,000	2032	_____ %	\$135,000	2046	_____ %
\$75,000	2033	_____ %	\$140,000	2047	_____ %
\$80,000	2034	_____ %	\$145,000	2048	_____ %

\* See “OFFICIAL NOTICE OF SALE – Competitive Bidding and Certificate of Underwriter.”

4. As set forth in the Notice of Sale, the Underwriter has agreed in writing that, (i) for each of the Unsold Maturities, the Underwriter would neither offer nor sell any of the Bonds of such maturity to any person at a price that is higher than the initial offering price for each maturity, as set forth in the pricing wire or equivalent communication for the Bonds attached to this Certificate, during the Offering Period for such maturity, nor would the Underwriter permit a related party to do so, and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail or other third party distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail or other third party distribution agreement to comply with the hold-the-offering-price rule. Pursuant to such agreement, no tax law underwriter has offered nor sold any of the Unsold Maturities at a price higher than the respective initial offering price for that maturity of the Bonds during the Offering Period.

5. The Underwriter [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$\_\_\_\_\_ (net of any non-guarantee 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, arms-length charge for the transfer of credit risk. 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 Bonds, 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 Bonds in an amount which would exceed the portion of such fee that had not been earned.

6. The term "public" means any person (including an individual, trust, estate, partnership, association, company or corporation) other than a tax law underwriter or a related party to a tax law underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly. The term "tax law underwriter" means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail or other third party distribution agreement participating in the initial sale of the Bonds to the public).

7. Sale date means the first date on which there is a binding contract in writing for the sale of the Bonds. The sale date of the Bonds is February 27, 2020.

8. Offering Period means, with respect to an Unsold Maturity, the period beginning on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date or (b) the date on which the Underwriter has sold at least 10 percent of such Unsold Maturity to the public at a price that is no higher than the initial offering price for such Unsold Maturity.

9. The undersigned understands that the statements made herein above will be relied upon by the District and Norton Rose Fulbright US LLP in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

10. The undersigned has calculated the total underwriting spread on the Bonds to be \$\_\_\_\_\_. As used herein, the term "total underwriting spread" means the cost for marketing and selling the Bonds, and includes (a) a total take down of \$\_\_\_\_\_, (b) a total management fee of \$\_\_\_\_\_, (c) fees and expenses of Underwriter's counsel in the estimated total amount of \$\_\_\_\_\_, and (d) other expenses in the total estimated amount of \$\_\_\_\_\_.

EXECUTED AND DELIVERED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
(Name of Underwriter or Manager)

By \_\_\_\_\_

Title \_\_\_\_\_

**[EXHIBIT B – PRICING WIRE FOR THE BONDS]**  
***Attached hereto***



Our calculation (which is not a part of this bid) of interest cost from the above is:

Total Interest Cost from March 1, 2020	\$ _____
Plus: Cash Discount	\$ _____
Net Interest Cost	\$ _____
Net Effective Interest Rate	_____ %

If we purchase the Bonds with bond insurance and, subsequent to the sale date and prior to the closing date, the Insurer's credit rating is downgraded we understand that we are still obligated to accept delivery of the Bonds.

The Initial Bonds shall be registered and delivered only to CEDE & Co., Inc., the Nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described in the Official Statement.

The undersigned agrees to complete, execute, and deliver to the District, prior to the date of delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Notice of Sale, with such changes thereto as may be acceptable to the District. In addition, in the event all of the Bonds are not sold to ultimate customers prior to the date of delivery of the Bonds, we will so notify the District on such date.

Cashier's Check No. \_\_\_\_\_, issued by \_\_\_\_\_ and payable to your order in the amount of \$44,000 is attached hereto or has been made available to you prior to the opening of this bid as a Good Faith Deposit for disposition in accordance with the Official Notice of Sale. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Official Notice of Sale, this check shall be cashed and the proceeds retained by the District as complete liquidated damages against us. We understand that the sale of the Bonds has not been registered or qualified under the securities laws of any jurisdiction and that it is our responsibility to obtain such registration or qualification, if any is required.

Unless the bidder is exempt from such requirements pursuant to Texas Government Code §2252.908(c)(4), the District may not accept this bid until it has received from the bidder, if that bidder is a privately held entity, a completed and signed TEC Form 1295 complete with a certificate number assigned by the Texas Ethics Commission ("TEC"), pursuant to Texas Government Code § 2252.908, and the rules promulgated thereunder by the TEC. The undersigned understands that failure to provide said form complete with a certificate number assigned by the TEC as provided for in the Official Notice of Sale will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

In *Amawi v. Pflugerville Independent School District* (1:18-cv-01091), the United States District Court for the Western District of Texas issued a preliminary injunction preventing the defendant school district from enforcement of Texas House Bill 89, codified at Texas Government Code § 2270.001 et. seq, or any "No Boycott of Israel" clause (collectively, Anti-Israel Boycotts) in any state contract while litigation proceeds. The following verification is being voluntarily made for the purpose of compliance with current state statute pending a final decision on the merits determining the validity of Anti-Israel Boycotts.

By executing this Official Bid Form, the bidder represents and verifies that, to the extent this Official Bid Form represents a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2271 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of its bid and through the delivery date of the Bonds, neither the bidder nor a syndicate member listed on the OFFICIAL BID FORM is a Company<sup>1</sup> that boycotts or will boycott Israel. The term "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, the bidder also represents and certifies that, to the extent the Official Bid Form represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of its bid, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>2</sup> (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code. The undersigned agrees to execute, at the request of the District, further written certifications as may be necessary or convenient for the District to establish compliance with these laws.

<sup>1</sup> "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

<sup>2</sup> "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

We agree to make payment for the Bonds in immediately available funds at the office of Zions Bancorporation, National Association, in Houston, Texas, not later than 10:00 a.m., Houston time, on Tuesday, March, 31, 2020, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale.

Respectfully submitted,

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Authorized Representative

**ACCEPTANCE CLAUSE**

The above and foregoing bid is hereby in all things accepted by Harris County Municipal Utility District No. 50, Harris County, Texas this 27<sup>th</sup> day of February 2020.

\_\_\_\_\_  
Board of Directors

\_\_\_\_\_  
Board of Directors



**BOND YEARS**

**Dated: March 1, 2020**

**Due: March 1 (as noted below)**

<b><u>Year</u></b>	<b><u>Amount</u></b>	<b><u>Bond Years</u></b>	<b><u>Accumulated Bond Years</u></b>
2021	\$25,000	25.0000	25.0000
2022	\$25,000	50.0000	75.0000
2023	\$25,000	75.0000	150.0000
2024	\$25,000	100.0000	250.0000
2025	\$25,000	125.0000	375.0000
2026	\$25,000	150.0000	525.0000
2027	\$25,000	175.0000	700.0000
2028	\$25,000	200.0000	900.0000
2029	\$65,000	585.0000	1,485.0000
2030	\$65,000	650.0000	2,135.0000
2031	\$70,000	770.0000	2,905.0000
2032	\$75,000	900.0000	3,805.0000
2033	\$75,000	975.0000	4,780.0000
2034	\$80,000	1,120.0000	5,900.0000
2035	\$85,000	1,275.0000	7,175.0000
2036	\$85,000	1,360.0000	8,535.0000
2037	\$90,000	1,530.0000	10,065.0000
2038	\$95,000	1,710.0000	11,775.0000
2039	\$100,000	1,900.0000	13,675.0000
2040	\$105,000	2,100.0000	15,775.0000
2041	\$110,000	2,310.0000	18,085.0000
2042	\$110,000	2,420.0000	20,505.0000
2043	\$115,000	2,645.0000	23,150.0000
2044	\$125,000	3,000.0000	26,150.0000
2045	\$130,000	3,250.0000	29,400.0000
2046	\$135,000	3,510.0000	32,910.0000
2047	\$140,000	3,780.0000	36,690.0000
2048	\$145,000	4,060.0000	40,750.0000

**Total Bond Years: 40,750.0000**

**Average Maturity: 18.522727 years**