

**NOTICE OF SALE  
AND  
BIDDING INSTRUCTIONS**

**ON**

**\$19,410,000\***  
**CITY OF IRVING, TEXAS**  
**(Dallas County)**  
**WATERWORKS AND SEWER SYSTEM**  
**NEW LIEN REVENUE BONDS, SERIES 2021**

**Bids Due Thursday, June 17, 2021, at 10:00 AM, CT**

THE SERIES 2021 BONDS WILL NOT BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS"  
FOR FINANCIAL INSTITUTIONS.

**THE SALE**

**BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING . . .** The City of Irving, Texas (the "City") is offering for sale its \$19,410,000\* Waterworks and Sewer System New Lien Revenue Bonds, Series 2021 (the "Bonds").

**ELECTRONIC BIDDING PROCEDURE . . .** Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of I-Deal, LLC, Parity System ("PARITY"). Subscription to the i-Deal 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. Bidders submitting an electronic bid shall not be required to submit Official Bid Forms prior to award.

PARITY will not accept bids after the specified time. An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in the 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 the Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from Parity Customer Support, 40 West 23<sup>rd</sup> Street, 5th Floor, New York, New York 10010, (212) 404-8102.

**For purposes of 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 "Basis of Award" below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and the Official Bid Form. The winning bidder shall submit a signed bid form if not previously submitted.

**Bids by delivery shall not be allowed.**

**Hilltop Securities Inc. will not be responsible for submitting any bids received after the above deadlines.**

**PLACE AND TIME OF BID OPENING . . .** The bids for the Bonds will be publicly opened and read in the office of the Financial Advisor at or about 10:00 AM, CT, Thursday, June 17, 2021.

**AWARD OF THE BONDS . . .** The City Council will approve an ordinance authorizing the sale of the Bonds (the "Ordinance") (or reject all bids) on the date of sale.

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\* Preliminary, subject to change.

## THE BONDS

**DESCRIPTION** . . . The Bonds will be dated as of the date of their delivery to the initial purchasers thereof (the "Date of Delivery"). Interest will accrue from the Date of Delivery and will be due on February 15, 2022, and each February 15 and August 15 thereafter until the earlier of maturity or prior redemption. The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Bonds will mature on August 15 in each year as follows:

### MATURITY SCHEDULE\*

Maturity	Amount	Maturity	Amount
8/15		8/15	
2022	\$ 645,000	2032	\$ 1,010,000
2023	720,000	2033	1,040,000
2024	745,000	2034	1,060,000
2025	775,000	2035	1,085,000
2026	805,000	2036	1,105,000
2027	840,000	2037	1,130,000
2028	875,000	2038	1,150,000
2029	910,000	2039	1,175,000
2030	945,000	2040	1,195,000
2031	980,000	2041	1,220,000

**ADJUSTMENT OF PRINCIPAL AMOUNTS AND/OR BIDS INCLUDING CASH PREMIUM** . . . Prior to the Sale: Prior to 5:00 pm CT on the business day before the bids are due, the City may, in its sole discretion, adjust the principal amount set forth in the Maturity Schedule under "THE BONDS – DESCRIPTION" and/or the type of bid required on the Bonds including the cash premium. Hilltop Securities Inc., as Financial Advisor to the City, will give notice of any such adjustment by Bloomberg and PARITY. Any such notice shall be considered an amendment to this NOTICE OF SALE AND BIDDING INSTRUCTIONS and to the OFFICIAL BID FORM. For purposes of this paragraph, the term "Maturity Schedule" shall include any adjustments to the principal amounts shown above including the total par amount so made by the City by posting a change to PARITY and a Bloomberg Wire. Also see "CONDITIONS OF THE SALE" herein.

After the Sale: After final computation of the Bids, the City reserves the right to adjust the aggregate principal amount and the principal amount of each maturity of the Bonds shown on the Maturity Schedule. The principal amount of any maturity of the Bonds shall only be adjusted in \$5,000 increments and shall not be increased or decreased by an amount that exceeds 15% of the preliminary principal amount of such maturity (rounded up to the next higher integral of \$5,000) without permission of the successful bidder. Such adjustment(s), if any, shall be made within 4 hours of the award of the Bonds. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid by the successful bidder will be adjusted to reflect changes in the aggregate principal amounts of the Bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and the original issue discount/premium, if any, but will not change the selling compensation per \$1,000 of par amount of the Bonds from the selling compensation that would have been received based on the purchase price in the winning bid and initial reoffering prices.

In the event of any adjustment of the maturity schedule for the Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Any such adjustment of the aggregate principal amount of the Bonds and/or the maturity schedules for the Bonds made by the City or its Financial Advisor shall be subsequent to the award of the Bonds to the winning bidder as determined pursuant to "CONDITIONS OF THE SALE – BASIS FOR AWARD" herein and shall not affect such determination. The successful Bidder may not withdraw its bid as a result of any changes made within the aforementioned limits.

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\* Preliminary, subject to change.

**OPTIONAL REDEMPTION . . .** The City reserves the right, at its option, to redeem Bonds having stated maturities on and after August 15, 2031 in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on August 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption.

**SERIAL BONDS AND/OR TERM BONDS . . .** Bidders may provide that all of the Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more Term Bonds maturing in accordance with the Maturity Schedule shown herein or as modified pursuant to the provisions herein.

**MANDATORY SINKING FUND REDEMPTION . . .** If the successful bidder elects to alter the Maturity Schedule reflected above and convert the principal amounts of the Bonds maturing in the years 2021 through 2041 into "Term Bonds", such "Term Bonds" shall be subject to mandatory redemption on the first August 15 next following the last maturity for Serial Bonds, and annually thereafter on each August 15 until the stated maturity for the Term Bonds at the redemption price of par plus accrued interest to the date of redemption. The principal amounts of the Term Bonds to be redeemed on each mandatory redemption date shall be the principal amounts that would have been due and payable in the Maturity Schedule shown above had no designation of such maturities as Term Bonds occurred. Approximately 45 days prior to each mandatory date, the Paying Agent/Registrar shall select by lot the Term Bonds to be redeemed and cause a notice of redemption to be given in the manner provided in the Official Statement. Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par and shall be selected by lot from among the Bonds then subject to redemption.

The principal amount of the Term Bonds required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the City, by the principal amount of the Term Bonds of the same maturity which at least 45 days prior to a mandatory redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase and delivered to the Paying Agent/Registrar for cancellation or (ii) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

The final official statement will incorporate the mandatory redemption provisions for the Bonds in the event the successful bidder elects to convert serial maturities into one or more Term Bonds.

**BOOK-ENTRY-ONLY SYSTEM . . .** The City intends to utilize the Book-Entry-Only System of The Depository Trust Company ("DTC"). See "The Obligations - Book-Entry-Only System" in the Official Statement.

**PAYING AGENT/REGISTRAR . . .** The initial Paying Agent/Registrar shall be Wilmington Trust N.A., Dallas, Texas (see "The Obligations - Paying Agent/Registrar" in the Official Statement).

**SOURCE OF PAYMENT . . .** The Bonds are special obligations of the City payable, both as to principal and interest, together with the Previously Issued Bonds and any Additional New Lien Bonds (each as defined in the Ordinance), solely from and secured by a lien on and pledge of the Pledged Revenues of the City Waterworks and Sewer System (the "System"). The City has reserved the right to issue Additional Bonds on a parity with the Bonds (the "Additional New Lien Bonds"), provided that any and all such Additional New Lien Bonds may be issued only in accordance with and subject to the covenants, limitations and restrictions which are set forth in the Ordinance. (see "Summary of Certain Provisions of the Ordinance" in the Official Statement).

Further details regarding the Bonds are set forth in the Official Statement.

## **CONDITIONS OF THE SALE**

**TYPE 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 106% and not more than 109%. The maximum coupon rate permitted is 5.00%. Bidders are invited to name the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/100 of 1%. The highest rate bid may not exceed the lowest rate bid by more than 3% in rate. All Bonds of one maturity must bear one and the same rate. Each bidder shall state in the bid the total interest cost in dollars and the effective interest rate determined thereby (calculated in the manner prescribed by Chapter 1204, Texas Government Code), which shall be considered informative only and not as part of the bid. In the event of a bidder's error in interest cost rate calculations, the interest rates set forth in the Official Bid Form will be

considered as the intended bid. Also see "ADJUSTMENT OF PRINCIPAL AMOUNTS AND/OR TYPES OF BIDS INCLUDING CASH PREMIUM."

The Purchaser (defined below) must provide the initial reoffering prices to the Financial Advisor by 11:00 AM, CT, or within 30 minutes of being notified of winning bid on the sale date. Such offering prices and yields, among other things, will be used by the Financial Advisor to calculate the final principal amount of each maturity of the Bonds and the cash premium for the Bonds. It is anticipated that the final principal amount of each maturity of the Bonds and the final cash premium amount will not change the principal amount of any maturity of the Bonds from the amount bid by more than 15 percent of the preliminary amount of such maturity (rounded up to the next higher integral of \$5,000) without permission of the successful bidder. The bid price bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Bonds.

**BASIS FOR AWARD** . . . Subject to the City's right to reject any or all bids and to waive any irregularities except time of filing, the sale of the Bonds will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form (the "Purchaser") 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 Dated Date of all debt service payments on the Bonds on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Bonds plus any premium bid, if any (but not interest accrued from the Dated Date to the date of their delivery). 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.

**ADDITIONAL CONDITION OF AWARD - DISCLOSURE OF INTERESTED PARTY FORM.** . . Pursuant to Texas Government Code, Section 2252.908 (the "Interested Party Disclosure Act"), unless the Purchaser is exempt from the filing requirements of Section 2252.908, the City may not award the Bonds to the Purchaser unless the Purchaser submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the City as prescribed by the Texas Ethics Commission ("TEC"). Effective January 1, 2018, publicly traded business entities (including wholly owned subsidiaries of a publicly traded business entity) will no longer be required to file Form 1295 as provided in Section 2252.908(c)(4). Prior to entering into a purchase agreement with the Purchaser, the Purchaser must either (1) complete an electronic form of the TEC Form 1295 through the TEC's electronic portal and submit the resulting certified TEC Form 1295 that is generated by the TEC's electronic portal to the City or (2) submit a written representation that it is exempt from the TEC Form 1295 filing requirements pursuant to Section 2252.908(c)(4). The failure to provide the TEC Form 1295 or written representation regarding exemption, as described herein, will prohibit the City from entering into a purchase agreement with the Purchaser. In the event that the bidder's bid for the Bonds conforms to the specifications herein and which produces the lowest True Interest Cost to the City, 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 will obligate the bidder, if not otherwise exempt, to promptly file a completed Disclosure Form, as described below, in order to complete the award. For purpose of this obligation, "promptly filing" means the submission by the winning bidder and each syndicate member listed on the Official Bid Form of the completed Disclosure Form to the City within two (2) hours of receiving the conditional verbal response.

If a Purchaser is claiming an exception to the filing requirement under Section 2252.908(c)(4), the written representation that the Purchaser is not required to file a Form 1295 must state that it is publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity and identify the publicly traded business entity that allows them to utilize the exception.

If the Purchaser is submitting a Disclosure Form, the form can be found at <https://www.ethics.state.tx.us/forms/1295.pdf>, and reference should be made to the following information in order to complete it: (a) item 2 – Name ("City of Irving, Texas"), (b) item 3 – the identification number ("W&S 2021 Bid Form"), and (c) item 3 – description of the goods or services assigned to this contract by the City ("Bond Purchasing Services"). If completing the Disclosure Form, the Purchaser must (i) complete the Disclosure Form electronically at the TEC's "electronic portal", and (ii) print, sign and deliver a copy of the Disclosure Form that is generated by the TEC's "electronic portal" to the City by email to the City at [bduff@cityofirving.org](mailto:bduff@cityofirving.org) and City's Financial Advisor at [darlene.snodgrass@hilltopsecurities.com](mailto:darlene.snodgrass@hilltopsecurities.com).

If the apparent winning bidder and each syndicate member listed on the Official Bid Form fail to promptly file the Disclosure Form, the City reserves the right to reject such bid and, through its Financial Advisor, provide conditional verbal acceptance to the bidder submitting a bid, conforming to the specifications herein, which produces the next, lowest True Interest Cost rate to the City.

Neither the City nor its consultants have the ability to verify the information included in a Disclosure Form or written representation, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form or the written representation. 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 or written representation promptly upon notification from the City that its bid is the conditional winning bid.

**ANTI-BOYCOTT VERIFICATION . . .** The Purchaser will be required to represent that, to the extent Section 2271.002 of the Texas Government Code is applicable to the sale of the Bonds, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable Federal law, neither the Purchaser nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the Purchaser, (i) boycotts Israel or (ii) will boycott Israel through the delivery date of the Bonds. For purposes of this representation, the terms “boycotts Israel” and “boycott Israel” have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended.

**IRAN, SUDAN, AND FOREIGN TERRORISTS ORGANIZATIONS . . .** Additionally, the Purchaser will be required to represent that, as of the date of the bid form associated with the Bonds, to the extent the purchase of the Bonds represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable Federal law, neither the Purchaser, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Purchaser is an entity listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.021 of the Texas Government Code.

**GOOD FAITH DEPOSIT . . .** A Good Faith Deposit, payable to the "City of Irving, Texas", in the amount of \$388,200\*, is required. Such Good Faith Deposit shall be a bank cashier's check or certified check, which is to be retained uncashed by the City pending the Purchaser's compliance with the terms of the bid and the Notice of Sale and Bidding Instructions. The Good Faith Deposit 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 drawn which authorize its use as a Good Faith Deposit by the Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Purchaser will be returned to the Purchaser upon payment for the Bonds.** No interest will be allowed on the Good Faith Deposit. In the event the Purchaser should fail or refuse to take up and pay for the Bonds in accordance with the bid, then said check shall be cashed and accepted by the City as full and complete liquidated damages. The checks accompanying bids other than the winning bid will be returned immediately after the bids are opened, and an award of the Bonds has been made.

#### **ESTABLISHING THE ISSUE PRICE FOR THE BONDS**

**GENERAL:** In order to provide the City with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended, relating to the excludability of interest on the Bonds from gross income for federal income tax purposes, the winning bidder will be required to complete, execute, and deliver to the City or to the City's municipal advisor, Hilltop Securities Inc. (the "Financial Advisor"), at least five business days before the delivery date of the Bonds, a certification as to the Bonds' "issue price" (the "Issue Price Certificate") substantially in one of the forms and to the effect attached hereto or accompanying this Notice of Sale. In the event the winning bidder will not reoffer any maturity of the Bonds for sale to the Public (as defined herein) by the delivery date of the Bonds, the Issue Price Certificate may be modified in a manner approved by the City and Bond Counsel (identified in the Preliminary Official Statement). Each bidder, by submitting its bid, agrees to complete, execute, and timely deliver the appropriate Issue Price Certificate, if its bid is accepted 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 as are necessary to enable it to make such certification with reasonable certainty.

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\* Preliminary, subject to change.

Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

**DEFINED TERMS:** 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 an 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 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 distribution agreement participating in the initial sale of the Bonds to the Public).
- (iii) “Related Party” means any two or more persons who are subject, directly or indirectly, to (A) 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), (B) 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 (C) 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).
- (iv) “Sale Date” means the date that the Bonds 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 Bonds may be taken on behalf of the City by the Financial Advisor, and any notice or report to be provided to the City may be provided to the 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 Bonds, as specified in the bid and as so stated in the Official Bid Form.

**THREE BID REQUIREMENT:** The City intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) for purposes of establishing the issue price of municipal bonds, which requires, 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 “Three Bid Requirement”). In the event that the Three Bid Requirement is not satisfied, Treasury Regulations permit the issue price for any maturity of the Bonds to be determined based upon either (i) the first price at which 10% of such maturity is sold to the Public (the “10% Test”) or (ii) if the requirements of the “Hold-the-Offering-Price Rule” described below are met, the initial offering price to the Public as of the Sale Date. For purposes hereof, if different interest rates apply within a maturity, each separate CUSIP number will be treated separately.

In the event that the Three Bid Requirement is satisfied, the sale of the Bonds will be awarded to the bidder making a bid that conforms to the specifications herein. In the event that the Three Bid Requirement is not satisfied, the City will notify the prospective winning bidder to that effect, and the prospective winning bidder will advise the City of any maturity of the Bonds that satisfies the 10% Test. For any maturity of the Bonds that does not meet the 10% Test, it is the City’s intention to apply the “Hold-the-Offering-Price Rule” to any maturity of the Bonds, as described below.

**HOLD-THE-OFFERING-PRICE RULE:** If the “Hold-the-Offering-Price Rule” is applied to any maturity of the Bonds (each, a “Held Maturity”), the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell any Held 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:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have satisfied the 10% Test with respect to that Held Maturity 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 satisfied the 10% Test with respect to each Held Maturity 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. On or after the sixth business day after the Sale Date, if requested by the City, the winning bidder will confirm that the Underwriters have complied with the Hold-the-Offering-Price-Rule. If at any time the winning bidder becomes aware of any noncompliance by an Underwriter with respect to the Hold-the-Offering Price Rule, the winning bidder will promptly report such noncompliance to the City.

**ADDITIONAL REQUIREMENTS:** By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail 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 distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) 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 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 distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) 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.

## **DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS**

**CUSIP NUMBERS . . .** It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to print or type such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale and Bidding Instructions and the terms of the Official Bid Form. All expenses in relation to the printing or typing of CUSIP numbers on the Bonds shall be paid by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser.

**DELIVERY OF BONDS . . .** Delivery will be accomplished by the issuance of one Initial Bond (also called the "Bond" or "Bonds"), either in typed or printed form, in the aggregate principal amount of \$19,410,000\*, payable in stated installments to the Purchaser, signed by the Mayor and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts. Upon delivery of the Initial Bond, it shall be immediately cancelled and one definitive Bond for each maturity will be registered and delivered only to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only System. Delivery will be at the principal office of the Paying Agent/Registrar. Payment for the Bonds must be made in immediately available funds for unconditional credit to the City, or as otherwise directed by the City. The Purchaser will be given six business days' notice of the time fixed for delivery of the Bonds. It is anticipated that delivery of the Bond(s) can be made on or about July 15, 2021, and it is understood and agreed that the Purchaser will accept delivery and make payment for the Bonds by 10:00 AM, CT, on July 15, 2021, or thereafter on the date the Bond is tendered for delivery, up to and including July 29, 2021. If for any reason the City is unable to make delivery on or before July 29, 2021, the City shall immediately contact the Purchaser and offer to allow the Purchaser to extend its offer for an additional thirty days. If the Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the City and the Purchaser shall be relieved of any further obligation. In no event shall the City be liable for any damages by reason of its failure to deliver the Bonds.

**CONDITIONS TO DELIVERY . . .** The obligation of the Purchaser to take up and pay for the Bonds is subject to the Purchaser's receipt of (a) the legal opinion of Bracewell LLP, Dallas, Texas, Bond Counsel for the City ("Bond Counsel"), (b) the no-litigation certificate, and (c) the certification as to the Official Statement, all as further described in the Official Statement.

**LEGAL OPINIONS . . .** The Bonds are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Delivery of and payment for the Bonds is subject to the receipt by the Purchaser of the opinion of Bracewell LLP, Bond Counsel, substantially in the form reproduced in Appendix C to the Official Statement, to the effect that based upon an examination of a transcript of certified proceedings of the City relating to the authorization and issuance of the Bonds, 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 under "Tax Matters" in the Official Statement.

**CERTIFICATION OF OFFICIAL STATEMENT . . .** At the time of payment for and Initial Delivery of the Bonds, the City will execute and deliver to the Purchaser a certificate in the form set forth in the Official Statement.

**CHANGE IN TAX EXEMPT STATUS . . .** At any time before the Bonds are tendered for delivery, the Purchaser may withdraw its bid if the interest received by private holders on bonds of the same type and character 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 Notice of Sale and Bidding Instructions.

## **GENERAL**

**FINANCIAL ADVISOR . . .** Hilltop Securities Inc. is employed as Financial Advisor to the City in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Hilltop Securities Inc. has agreed, in its Financial Advisory contract, not to bid for the Bonds, either independently or as a member of a syndicate organized to submit a bid for the Bonds. Hilltop Securities Inc., in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

**BLUE SKY LAWS . . .** By submission of its bid, the Purchaser represents that the sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or, where necessary, the Purchaser will register the Bonds in accordance with the securities law of the states in which the Bonds are offered or sold. The City agrees to cooperate with the Purchaser, at the Purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary, provided, however, that the City shall not be obligated to execute a general or special consent to service of process in any such jurisdiction.

**NOT AN OFFER TO SELL . . .** This Notice of Sale and Bidding Instructions does not alone constitute an offer to sell the Bonds, but is merely notice of the sale of the Bonds. The offer to sell the Bonds is being made by means of the Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement. Prospective purchasers are urged to carefully examine the Official Statement to determine the investment quality of the Bonds.

**ISSUANCE OF ADDITIONAL DEBT . . .** The City expects to issue approximately \$19.1 million additional Waterworks and Sewer System New Lien Bonds in fiscal year 2021-2022.

**RATINGS . . .** The Bonds have been assigned ratings of "Aa2" by Moody's Investors Service, Inc. ("Moody's") and "AA+" by S&P Global Ratings, a division of S&P Global Inc. ("S&P").

**THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12 . . .** The City has prepared the accompanying Official Statement and, for the limited purpose of complying with SEC Rule 15c2-12, deems such Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. To the knowledge of the City, the Official Statement contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the



offering of the Bonds. Representations made and to be made by the City concerning the absence of material misstatements and omissions in the Official Statement are addressed elsewhere in this Notice of Sale and Bidding Instructions and in the Official Statement.

The City will furnish to the Purchaser(s), acting through a designated senior representative, in accordance with instructions received from the Purchaser(s), within seven (7) business days from the sale date an aggregate of 50 copies of the Official Statement reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of any Official Statement in excess of the number specified shall be prepared and distributed at the cost of the Initial Purchaser(s). The Purchaser(s) shall be responsible for providing in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award. Except as noted above, the City assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the subject securities.

**CONTINUING DISCLOSURE AGREEMENT . . .** The City will agree in the Ordinance to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Official Statement under "Continuing Disclosure of Information". The Purchaser(s)' obligation to accept and pay for the Bonds is conditioned upon delivery to the Purchaser(s) or (their) agent of a certified copy of the Ordinance containing the agreement described under such heading.

**COMPLIANCE WITH PRIOR UNDERTAKINGS . . .** The City's Waterworks and Sewer System New Lien Revenue bond rating was downgraded from Aa1 to Aa2 by Moody's Investor Service on July 6, 2016. Notice of the downgrade was not filed until August 29, 2016, which was not timely in accordance with the City's continuing disclosure obligations. The City failed to file a Material Event Notice along with the August 29, 2016 rating downgrade filing. The City filed the Material Event Notice related to the downgrade on February 23, 2017.

**ADDITIONAL COPIES OF NOTICE, BID FORM AND STATEMENT . . .** A limited number of additional copies of this Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement, as available over and above the normal mailing, may be obtained at the offices of Hilltop Securities Inc., 1201 Elm Street, Suite 3500, Dallas, Texas 75270, Financial Advisor to the City.

In the Ordinance, the City Council will approve the form and content of the Notice of Sale and Bidding Instructions, the Official Bid Form and Preliminary Official Statement and Official Statement, and any addenda, supplement or amendment thereto, and will authorize the use thereof in its initial offering of the Bonds and in the reoffering of the Bonds by the Purchaser.

/s/ RICK STOPFER  
Mayor  
City of Irving, Texas

ATTEST:

/s/ SHANAE JENNINGS  
City Secretary

June 4, 2021

**OFFICIAL BID FORM**

Honorable Mayor and City Council  
City of Irving, Texas

June 17, 2021

Members of the City Council:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated June 4, 2021 of \$19,410,000\* CITY OF IRVING, TEXAS WATERWORKS AND SEWER SYSTEM NEW LIEN REVENUE BONDS, SERIES 2021, both of which constitute a part hereof.

For your legally issued Bonds, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you par, plus a net premium of \_\_\_\_\_ (minimum of 111% and not to exceed 116%), for Bonds maturing and bearing interest as follows:

Maturity	Amount	Interest Rate	Maturity	Amount	Interest Rate
8/15			8/15		
2022	\$ 645,000	_____	2032	\$ 1,010,000	_____
2023	720,000	_____	2033	1,040,000	_____
2024	745,000	_____	2034	1,060,000	_____
2025	775,000	_____	2035	1,085,000	_____
2026	805,000	_____	2036	1,105,000	_____
2027	840,000	_____	2037	1,130,000	_____
2028	875,000	_____	2038	1,150,000	_____
2029	910,000	_____	2039	1,175,000	_____
2030	945,000	_____	2040	1,195,000	_____
2031	980,000	_____	2041	1,220,000	_____

Of the principal maturities set forth in the table above, term bonds have been created as indicated in the following table (which may include multiple term bonds, one term bond or no term bond if none is indicated). For those years which have been combined into a term bond, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term bond maturity date shall mature in such year. The term bonds created are as follows:

Term Bond Maturity Date	Year of First Mandatory Redemption	Principal Amount of Term Bond	Interest Rate
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %

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

TRUE INTEREST COST \_\_\_\_\_ %

The Initial Bonds shall be registered in the name of \_\_\_\_\_, which will, upon payment for the Bonds, be cancelled by the Paying Agent/Registrar. The Bonds will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the Book-Entry-Only System.

A bank cashier's check or certified check of the \_\_\_\_\_ Bank, \_\_\_\_\_, in the amount of \$388,200\*, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms as set forth in the Official Statement and Notice of Sale and Bidding Instructions.

\* Preliminary, subject to change.

We agree to accept delivery of the Bonds utilizing the Book-Entry-Only System through DTC and make payment for the Initial Bond in immediately available funds in the Corporate Trust Division, Wilmington Trust N.A., Dallas, Texas, not later than 10:00 AM, CT, on July 15, 2021, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

By executing this Bid Form, the bidder represents that, to the extent Section 2271.002 of the Texas Government Code is applicable to the sale of the Bonds, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable Federal law, 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, (i) boycotts Israel or (ii) will boycott Israel through the delivery date of the Bonds. For purposes of this representation, the terms "boycotts Israel" and "boycott Israel" have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Additionally, by executing this Bid Form, the bidder also represents that, to the extent the bid for the Bonds represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable Federal law, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same is a company listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.021 of the Texas Government Code.

In accordance with Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), the City may not award the Bonds to a bidder unless the winning 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 below 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.

Unless the bidder certifies that it is exempt from filing a Disclosure Form with the City, upon notification of conditional verbal acceptance, the undersigned will complete 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 and sent by email to the City at [bduff@cityofirving.org](mailto:bduff@cityofirving.org) and City's financial advisor at [darlene.snodgrass@hilltopsecurities.com](mailto:darlene.snodgrass@hilltopsecurities.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.

The Purchaser (mark one): (i) Agrees to timely make a filing of a completed Disclosure Form with the City  or (ii) Hereby certifies 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 . If the bid is accepted by the City, this bid shall thereupon become a contract of purchase for the City under the terms contained in this Official Bid Form and in the Notice of Sale and Bidding Instructions. We hereby acknowledge that we have received and read the Notice of Sale and Bidding Instructions and Preliminary Official Statement referred to above.

The undersigned agrees to complete, execute, and deliver to the City, at least six business days prior to delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, 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 Bonds, 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).

**We agree to provide in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award.**

Respectfully submitted,

Syndicate Members:

\_\_\_\_\_  
Name of Underwriter or Manager

\_\_\_\_\_

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_

\_\_\_\_\_  
Phone Number

\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the City of Irving, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 17th day of July, 2021.

ATTEST:

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RICK STOPFER  
Mayor  
City of Irving, TX

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SHANAE JENNINGS  
City Secretary

## ISSUE PRICE CERTIFICATE

### [THREE BID REQUIREMENT SATISFIED]

I, the undersigned officer of \_\_\_\_\_ (the "Purchaser"), acting on behalf of itself and any underwriting syndicate, make this certification in connection with the \$19,410,000\* WATERWORKS AND SEWER SYSTEM NEW LIEN REVENUE BONDS, SERIES 2021 (the "Bonds") issued by the City of Irving, Texas (the "City").

1. I hereby certify as follows in good faith as of the date hereof:

(a) I am the duly chosen, qualified and acting officer of the Purchaser for the office shown below my signature; as such, I am familiar with the facts herein certified and I am duly authorized to execute and deliver this certificate on behalf of the Purchaser and any underwriting syndicate. I am the officer of the Purchaser charged, along with other officers of the Purchaser and any underwriting syndicate, with responsibility for the Bonds.

(b) The reasonably expected initial offering prices of the Bonds to the Public by the Purchaser as of the Sale Date are the prices set forth on the inside cover of the Official Statement prepared in connection with the Bonds (the "Initial Offering Prices"). The Initial Offering Prices are the applicable prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached hereto as Attachment I is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(c) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(d) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

(e) The aggregate of the Initial Offering Prices of all maturities of the Bonds is \$\_\_\_\_\_. The Bonds were sold with pre-issuance accrued interest in the amount of \$\_\_\_\_\_. The sum of these two amounts is \$\_\_\_\_\_.

(f) Please choose the appropriate statement:

The Purchaser will not purchase bond insurance for the Bonds.

The Purchaser will purchase bond insurance from \_\_\_\_\_ (the "Insurer") for a fee/premium of \$\_\_\_\_\_ (the "Fee"). The Fee is a reasonable amount payable solely for the transfer of credit risk for the payment of debt service on the Bonds and does not include any amount payable for a cost other than such guarantee, e.g., a credit rating or legal fees. The Purchaser represents that the present value of the Fee for each obligation constituting the Bonds to which such Fee is properly allocated and which are insured thereby is less than the present value of the interest reasonably expected to be saved as a result of the insurance on each obligation constituting the Bonds. The Fee 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 Bonds. In determining present value for this purpose, the yield of the Bonds (determined with regard to the payment of the guarantee fee) has been used as the discount rate. No portion of the Fee is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such Fee that has not been earned. The Purchaser will also be responsible for payment of any rating fees on the Bonds, if and as required by the Insurer to be obtained in connection with the purchase of insurance.

2. For purposes of this Issue Price Certificate, the following definitions apply:

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

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\* Preliminary, subject to change.

(b) "Related Party" means any two or more persons who 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 interest or profits interest 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).

(c) "Sale Date" means the first day on which there is a binding contract in writing for the sale or exchange of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2021.

(d) "Underwriter" means (i) 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 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 definition 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 distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City 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 Bonds, and by Bracewell LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the City from time to time relating to the Bonds.

EXECUTED as of this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

[NAME OF PURCHASER OR MANAGER OF  
PURCHASING SYNDICATE]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT I TO ISSUE PRICE CERTIFICATE  
COPY OF WINNING BID FORM**

[See Attached]



**ISSUE PRICE CERTIFICATE**

**[THREE BID REQUIREMENT NOT SATISFIED – HOLD-THE-OFFERING-PRICE RULE]**

I, the undersigned officer of \_\_\_\_\_ (the "Purchaser"), acting on behalf of itself and any underwriting syndicate, make this certification in connection with the \$19,410,000\* WATERWORKS AND SEWER SYSTEM NEW LIEN REVENUE BONDS, SERIES 2021 (the "Bonds") issued by City of Irving, Texas (the "City").

3. I hereby certify as follows in good faith as of the date hereof:

(a) I am the duly chosen, qualified and acting officer of the Purchaser for the office shown below my signature; as such, I am familiar with the facts herein certified and I am duly authorized to execute and deliver this certificate on behalf of the Purchaser and any underwriting syndicate. I am the officer of the Purchaser charged, along with other officers of the Purchaser and any underwriting syndicate, with responsibility for the Bonds.

(b) For the Bonds maturing in \_\_\_\_\_, the first price at which at least 10% of each maturity was sold to the Public is the price for each such maturity set forth on the inside cover of the Official Statement prepared in connection with the Bonds (each, an "Actual Sales Price").

(c) For the Bonds maturing in \_\_\_\_\_ (each, a "Held Maturity"), the Purchaser on or before the Sale Date offered for purchase each such maturity to the Public at the applicable initial offering price set forth on the inside cover of the Official Statement prepared in connection with the Bonds (each, an "Initial Offering Price"). A copy of the pricing wire evidencing the Initial Offering Prices is attached hereto as Attachment I. In connection with the offering of the Bonds, the Purchaser and each member of any underwriting syndicate agreed in writing that (i) during the Hold Period, it would neither offer nor sell any Held Maturity to any person at a price higher than the applicable Initial Offering Price (the "Hold-the-Offering-Price Rule") and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the retail distribution agreement, that, during the Hold Period, such party would comply with the Hold-the-Offering-Price Rule. In accordance with such agreements, no Underwriter offered or sold any of the Held Maturities at a price higher than the applicable Initial Offering Price for such Held Maturity during the Hold Period.

(d) The aggregate of the Actual Sales Prices and the Initial Offering Prices is \$ \_\_\_\_\_. The Bonds were sold with pre-issuance accrued interest in the amount of \$ \_\_\_\_\_. The sum of these two amounts is \$ \_\_\_\_\_.

(e) Please choose the appropriate statement:

The Purchaser will not purchase bond insurance for the Bonds.

The Purchaser will purchase bond insurance from \_\_\_\_\_ (the "Insurer") for a fee/premium of \$ \_\_\_\_\_ (the "Fee"). The Fee is a reasonable amount payable solely for the transfer of credit risk for the payment of debt service on the Bonds and does not include any amount payable for a cost other than such guarantee, e.g., a credit rating or legal fees. The Purchaser represents that the present value of the Fee for each obligation constituting the Bonds to which such Fee is properly allocated and which are insured thereby is less than the present value of the interest reasonably expected to be saved as a result of the insurance on each obligation constituting the Bonds. The Fee 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 Bonds. In determining present value for this purpose, the yield of the Bonds (determined with regard to the payment of the guarantee fee) has been used as the discount rate. No portion of the Fee is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such

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\* Preliminary, subject to change.

Fee that has not been earned. The Purchaser will also be responsible for payment of any rating fees on the Bonds, if and as required by the Insurer to be obtained in connection with the purchase of insurance.

4. For purposes of this Issue Price Certificate, the following definitions apply:

(a) "Hold Period" means, with respect to a Held Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the Underwriters have sold at least 10% of such Held Maturity to the Public at a price no higher than the applicable Initial Offering Price.

(b) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(c) "Related Party" means any two or more persons who 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 interest or profits interest 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).

(d) "Sale Date" means the first day on which there is a binding contract in writing for the sale or exchange of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2021.

(e) "Underwriter" means (i) 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 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 definition 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 distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City 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 Bonds, and by Bracewell LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the City from time to time relating to the Bonds.

EXECUTED as of this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

[NAME OF PURCHASER OR MANAGER OF  
PURCHASING SYNDICATE]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT I TO ISSUE PRICE CERTIFICATE**

**FINAL PRICING WIRE**

[See Attached]