

**NOTICE OF SALE
AND
BIDDING INSTRUCTIONS**

**\$8,455,000
CANYON FALLS WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 OF DENTON COUNTY
UNLIMITED TAX BONDS, SERIES 2021**

Sealed Bids Due Thursday, October 28, 2021, at 9:15 AM, CDT

THE BONDS WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

THE SALE

BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING . . . Canyon Falls Water Control and Improvement District No. 2 of Denton County (the "District") is offering for sale its \$8,455,000 Unlimited Tax Bonds, Series 2021 (the "Bonds"). Bidders may submit bids for the Bonds by any of the following methods:

- (1) Deliver bids directly to the District as described below in "Bids Delivered to District;"
- (2) Submit bids electronically as described below in "Electronic Bidding Procedures;" or
- (3) Submit bids by telephone or facsimile as described below in "Bids by Telephone or Facsimile."

BIDS DELIVERED TO DISTRICT . . . Sealed bids, plainly marked "Bid for Bonds", should be addressed and delivered to Hilltop Securities Inc. ("HilltopSecurities"), the District's Financial Advisor, at 777 Main Street, Suite 1525, Fort Worth, Texas 76102, prior to 9:15 AM CDT, on the date of the bid opening. All bids must be submitted on the Official Bid Form, without alteration or interlineation.

ELECTRONIC BIDDING PROCEDURES . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to i-Deal'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. Bidders submitting an electronic bid shall not be required to submit Official Bid Forms.

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 Notice of Sale and Bidding Instructions, 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 provision of this Notice of Sale and Bidding Instructions conflicts with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale and Bidding Instructions 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, New York 10010, (212) 404-8102.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by i-Deal 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 "Basis of Award" below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and Bidding Instructions and the Official Bid Form.**

BIDS BY TELEPHONE OR FACSIMILE . . . Bidders must submit **SIGNED Official Bid Forms to Laura Alexander, Hilltop Securities, Inc., 777 Main Street, Suite 1525, Fort Worth, Texas 76102, and submit their bid by telephone or facsimile (fax) on the date of and before the time of the sale.**

Telephone bids will be accepted at (817) 332-9710, between 8:15 AM, CDT and 9:15 AM, CDT, on the date of sale.

Fax bids must be received between 8:15 AM, CDT and 9:15 AM, CDT, on the date of the sale at (817) 348-5869, attention: Laura Alexander.

HilltopSecurities will not be responsible for submitting any bids received after the above deadlines.

HilltopSecurities assumes no responsibility or liability with respect to any irregularities associated with the submission of bids if telephone or fax options are exercised.

PLACE AND TIME OF BID OPENING . . . The bids for the Bonds will be publicly opened and read at the office of the District's Financial Advisor, 777 Main Street, Suite 1525, Fort Worth, Texas 76102, at 9:15 AM, CDT, Thursday, October 28, 2021. For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY constitutes the official time.

AWARD OF THE BONDS . . . The Board of Directors of the District (the "Board") will take action to award the Bonds (or reject all bids) at a meeting scheduled to convene at 12:30 PM, CDT, on the date of the bid opening, at the District's Meeting Place, 830 Central Parkway East, Suite 300, Plano, Texas, 75074 and adopt a resolution (the "Resolution") authorizing the Bonds and approving the Official Statement. Sale of the Bonds will be made subject to compliance with Texas Government Code § 2252.908, as more fully described below. The Board reserves the right to reject any or all bids and to waive any irregularities, except time of filing.

THE BONDS

DESCRIPTION . . . The Bonds will be dated October 15, 2021 (the "Dated Date"). Interest will accrue from the initial date of delivery expected to be November 30, 2021 (the "Delivery Date") and will be payable on August 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 February 15 in each year as follows:

MATURITY SCHEDULE

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2023	\$ 255,000	2031	\$ 320,000	2039	\$ 385,000
2024	265,000	2032	325,000	2040	395,000
2025	275,000	2033	330,000	2041	410,000
2026	280,000	2034	340,000	2042	420,000
2027	290,000	2035	350,000	2043	430,000
2028	300,000	2036	355,000	2044	445,000
2029	305,000	2037	365,000	2045	455,000
2030	315,000	2038	375,000	2046	470,000

OPTIONAL REDEMPTION . . . The District reserves the right, at its option, to redeem Bonds having stated maturities on and after February 15, 2028, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2027, or any date thereafter, at a price equal to the principal amount 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 Bonds maturing serially as shown above (the "Serial Bonds") or may provide that any two or more consecutive maturing annual principal amounts be combined into one or more "Term Bonds".

MANDATORY SINKING FUND . . . If the successful bidder elects to alter the Maturity Schedule reflected above and convert principal amounts of the Serial Bonds into Term Bonds, such Term Bonds shall be subject to mandatory redemption on the first February 15 next following the last maturity for Serial Bonds, and annually thereafter on each February 15 until the stated maturity for the Term Bonds at the redemption prices 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 will be the principal amounts that would have been due and payable in the Maturity Schedule shown above had no conversion to Term Bonds occurred. At least 30 days prior to each mandatory redemption date, the Paying Agent/Registrar (hereinafter defined) will select, by lot or other method of random selection as Paying Agent/Registrar deems fair and appropriate, the Term Bonds to be redeemed and cause a notice of redemption to be given in the manner provided in the Resolution and described in the Preliminary Official Statement.

To the extent that the Term Bonds of a maturity which at least 45 days prior to a mandatory redemption date (i) have been previously purchased by the District and delivered to the Paying Agent/Registrar for cancellation or (ii) called for optional redemption in part and other than from a sinking fund redemption payment, the annual sinking fund payments will be reduced by the amount obtained by multiplying the principal amount of the Term Bonds of such maturity so purchased or redeemed by the ratio which each remaining annual sinking fund redemption payment therefore bears to the total sinking fund payments for such maturity, and by rounding each such payment to the nearest \$5,000.

A 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 District intends to utilize the Book-Entry-Only System of The Depository Trust Company ("DTC"). See "THE BONDS - Book-Entry-Only System" in the Preliminary Official Statement.

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar is BOKF, NA, Dallas, Texas. See "THE BONDS - Description" in the Preliminary Official Statement.

SECURITY AND SOURCE OF PAYMENT . . . The Bonds will constitute valid and legally binding obligations of the District, with principal and interest payable solely from the proceeds of a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District.

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

MUNICIPAL BOND RATING . . . The Bonds and the presently unenhanced outstanding debt of the District have been assigned an unenhanced rating of "Baa2" by Moody's Investors Service, Inc. ("Moody's"). An explanation of the rating may be obtained from Moody's, 7 World Trade Center, at 250 Greenwich Street, New York, NY 10007. The fee associated with the rating assigned to the District buy Moody's will be paid by the District; however, any fee associated with ratings provided by other agencies will be at the expense of the Initial Purchaser.

MUNICIPAL BOND INSURANCE . . . The District has submitted applications with certain municipal bond insurance companies to have the payment of the principal of and interest on the Bonds insured by a municipal bond insurance policy. In the event the Bonds are qualified for municipal bond insurance, and the Initial Purchaser desires to purchase such insurance, the cost, including rating fees, will be paid by the Initial Purchaser. The final Official Statement shall disclose information provided by the insurer relating to any such financial guaranty insurance policy.

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 97.625% and not more than 100.625% of their principal amount plus accrued interest from the Delivery Date of the Bonds. 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% and the net effective interest rate must not exceed 15%. The highest rate bid may not exceed the lowest rate bid by more than 2% in rate. **For Bonds having stated maturities on and after February 15, 2028, no reoffering yield producing a dollar price less than 98.00 for any individual maturity will be accepted. The winning bidder will be required to submit reoffering yields and dollar prices prior to award.** No limitation is imposed upon bidders as to the number of coupon rates which may be used, but all Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

BASIS FOR AWARD . . . For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the rate or rates specified therein, the total dollar cost of all interest on the Bonds from the Delivery Date to their respective maturities, using the table of Bond Years herein, and adding thereto the dollar amount of the discount bid, if any, (the "Net Interest Cost Calculation"). Subject to the District's right to reject any or all bids and to waive any irregularities except time of filing, the Bonds will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form (the "Initial Purchaser") whose bid, based on the Net Interest Cost Calculation, produces the lowest net effective interest cost to the District. In the event of a bidder's error in interest cost rate calculations, the interest rates, and discount, if any, set forth in the Official Bid Form will be considered as the intended bid.

GOOD FAITH DEPOSIT . . . A "Good Faith Deposit", payable to the "Canyon Falls Water Control and Improvement District No. 2 of Denton County", in the amount of \$169,100.00 is required. Such Good Faith Deposit shall be a bank cashier's check or certified check, which is to be retained uncashed by the District pending the Initial 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 must be made available to the District prior to the opening of the bids and accompanied by instructions from the bank on which drawn that authorize its use as a Good Faith Deposit by the Initial Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Initial Purchaser will be returned to the Initial Purchaser upon payment for the Bonds.** No interest will be allowed on the Good Faith Deposit. In the event the Initial Purchaser should fail or refuse to take up and pay for the Bonds in accordance with the bid, then said check will be cashed and accepted by the District 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.

PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 ("TEC FORM 1295") AND CERTIFICATION OF FILING BY BIDDERS . . . Pursuant to Texas Government Code §2252.908 (the "Interested Party Disclosure Act"), the District may not award the Bonds to a bidder unless the bidder has provided to the District a TEC Form 1295 and a Certification of Filing as generated 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 at <https://www.ethics.state.tx.us/tec/1295-Info.htm>. The TEC Form 1295 must then be printed, signed, and provided to the District (c/o the District's Financial Advisor, HilltopSecurities. Attn: Laura Alexander, laura.alexander@hilltopsecurities.com) along with Certification of Filing generated by TEC. In the event that the bidder's bid for the Bonds is the best bid received, the District, 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 to file promptly a completed TEC Form 1295, in order to complete the award. **TEC Form 1295 must be received by the District prior to the formal acceptance of the winning bid.** The TEC Form 1295 and Certification of Filing may be provided to the District via facsimile or electronically, however, the original signed TEC Form 1295 and Certification of Filing must be physically delivered to the District (Attn: Mr. Victor Toledo, President, Canyon Falls WCID No. 2 of Denton County, 19 Briar Lane, Suite 245, Houston, Texas 77027) within two business days after the award. Following the award of the Bonds, the District will notify the TEC of the receipt of each completed TEC Form 1295 and Certification of Filing. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein. For purposes of completing the TEC Form 1295, box two is "Canyon Falls Water Control and Improvement District No. 2 of Denton County" and box 3 is "CFWCID2-11042021-BPR". 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 CERTAIN COMPANIES. . . . 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⁽¹⁾ that boycotts or will boycott Israel. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meaning 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⁽²⁾ (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.

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 2274.002 of the Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, solely for purposes of Chapter 2274 of the Texas Government Code, and except to the extent otherwise required by applicable Texas or 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⁽¹⁾ that boycotts or will boycott energy companies. The terms “boycotts energy companies” and “boycott energy companies” shall have the meaning assigned to the term “boycott energy company” in Section 809.001 of the Texas Government Code, as amended.

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 the purchase of goods or services within the meaning of Section 2274.002 of the Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, solely for purposes of Chapter 2274 of the Texas Government Code, and except to the extent otherwise required by applicable Texas or 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⁽¹⁾ that has a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association or will discriminate against a firearm entity or firearm trade association. The term “discriminates against a firearm entity or firearm trade association” as used in this paragraph has the meaning assigned to the term “discriminate against a firearm entity or firearm trade association” in Section 2274.001(3) of the Texas Government Code (as added by SB 19).

⁽¹⁾ "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, but does not mean a sole proprietorship.

⁽²⁾ "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.

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)(0), 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 Initial Purchaser 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 Initial Purchaser 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 (ii) the close of the fifth business day after the sale date. The Initial Purchaser 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.

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 will constitute cause for a failure or refusal by the Initial 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 will be paid by the District; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers is the responsibility of and will be paid for by the Initial Purchaser.

DELIVERY OF BONDS . . . Initial delivery ("Initial Delivery") will be accomplished by the issuance of one Initial Bond, either in typed or printed form, in the aggregate principal amount of \$8,455,000, payable in stated installments to the Initial Purchaser, signed by the President and Secretary of the Board, approved by the Attorney General of the State of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas. Upon delivery of the Initial Bond, it will 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. Initial 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 District, or as otherwise directed by the District. The Initial Purchaser will be given five (5) business days' notice of the time fixed for delivery of the Bonds. It is anticipated that delivery of the Bonds can be made on or about November 30, 2021, and it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the Bonds by 10:00 AM, CST, on November 30, 2021, or thereafter on the date the Initial Bond is tendered for delivery, up to and including December 14, 2021. If for any reason the District is unable to make delivery on or before December 14, 2021, the District will immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional 30 days. If the Initial Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the District and the Initial Purchaser will be relieved of any further obligation. In no event will the District be liable for any damages by reason of its failure to deliver the Bonds, provided such failure is due to circumstances beyond the District's reasonable control.

CONDITIONS TO DELIVERY . . . The obligation of the Initial Purchaser to take up and pay for the Bonds is subject to the Initial Purchaser's receipt of (a) the legal opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel for the District, (b) the no-litigation certificate of the District's officers, (c) the certification of the District's officers as to the Official Statement, all as further described in the Preliminary Official Statement, and (d) the non-occurrence of the events specified herein under "No Material Adverse Change".

To provide the District with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Initial Purchaser will be required to complete, execute, and deliver to the District (no more than two business days after the award of the bid for the Bonds) a certification regarding "issue price" in the form and to the effect attached hereto or accompanying this Notice of Sale and Bidding Instructions. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate by the date of delivery of the Bonds, if its bid is accepted by the District. It will be the responsibility of the Initial Purchaser to institute such syndicate reporting requirements to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

LEGAL OPINIONS . . . The Bonds are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Initial Delivery of and payment for the Bonds is subject to the receipt by the Initial Purchaser of opinion of Bond Counsel, based upon the assumption described in the Official Statement under the heading "LEGAL MATTERS – Legal Proceedings," to the effect that the Bonds are valid and binding obligations of the District and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing law, and interest on the Bonds is not subject to the alternative minimum tax on individuals.

NO MATERIAL ADVERSE CHANGE . . . The obligation of the Initial Purchaser to take up and pay for the Bonds, and of the District to deliver the Bonds, is subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the financial condition of the District subsequent to the date of sale from the that set forth in the Preliminary Official Statement, as it may have been finalized, supplemented or amended through the date of sale.

NO-LITIGATION CERTIFICATE . . . On the date of delivery of the Bonds to the Initial Purchaser, the District will execute and deliver to the Initial Purchaser, a certificate to the effect that no litigation of any nature has been filed or is pending, as of that date, of which the District has notice, to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security, or any manner question the validity of the Bonds.

RULE G-32 REQUIREMENTS . . . It is the responsibility of the Initial Purchaser to comply with the Municipal Securities Rulemaking Board's Rule G-32 within the required time frame. The Initial Purchaser must send two copies of the Official Statement along with two complete Form G-32's to the appropriate address.

GENERAL

FINANCIAL ADVISOR . . . HilltopSecurities, is employed as Financial Advisor to the District 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. HilltopSecurities, in its capacity as Financial Advisor, has relied on the opinion of Bond Counsel and has not verified and 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. In the normal course of business, the Financial Advisor may from time to time sell investment securities to the District for the investment of bond proceeds or other funds of the District upon the request of the District.

BLUE SKY LAWS . . . By submission of its bid, the Initial 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 Initial Purchaser will register the Bonds in accordance with the securities law of the states in which the Bonds are offered or sold. The District agrees to cooperate with the Initial Purchaser, at the Initial 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 District is not 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 Preliminary Official Statement. Prospective purchasers are urged to carefully examine the Preliminary Official Statement to determine the investment quality of the Bonds.

ISSUANCE OF ADDITIONAL DEBT . . . The District intends to issue additional bonds from its voted authorizations for road improvements and for water, sewer and drainage facilities. The District has \$44,510,000 in authorized but unissued unlimited tax bonds for water, sanitary sewer, and drainage purposes. After issuance of the Bonds, the District will have \$36,055,000 in authorized but unissued Bonds and \$38,465,000 in authorized but unissued road bonds. In addition, the District has \$50,005,000 for the purpose of refunding bonds issued for water, sanitary sewer, and drainage purposes and \$88,355,000 for the purpose of refunding of bonds issued for road purposes. See "THE BONDS – Authority for Issuance". Any bonds issued by the District, however, must be approved by the Attorney General of Texas. Approval of the TCEQ is necessary for the issuance of bonds issued to finance the acquisition or construction of water, wastewater or drainage purposes. See "THE DISTRICT - General."

The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately issued by the District. The District does not employ any formula with regard to assessed valuations or tax collections or otherwise to limit the amount of bonds which may be issued. However, the District must comply with feasibility tests promulgated by the Attorney General, in the case of bonds issued for road purposes, and the TCEQ, in the case of bonds issued for water, sanitary sewer, and drainage purposes, respectively, with regard to taxable assessed valuations and ad valorem tax rates that may limit the amount of bonds which may be issued from time to time in the future. Furthermore, pursuant to Article III, Section 52 of the Texas Constitution, the total amount of bonds and other obligations of the District issued for road purposes may not exceed one-fourth of the assessed valuation of real property in the District at the time of issuance.

The District also is authorized by statute to engage in fire-fighting activities, including the issuing of bonds payable from taxes for such purpose. Before the District could issue fire-fighting bonds payable from taxes, however, the following actions would be required: (a) authorization of a detailed master plan and bonds for such purpose by the qualified voters in the District; (b) approval of the master plan and issuance of bonds by the TCEQ; and (c) approval of bonds by the Attorney General of Texas. The District does not provide fire protection service, and the Board has not considered calling such an election at this time.

THE PRELIMINARY OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15C2-12 . . . The District has prepared the accompanying Preliminary Official Statement and, for the limited purpose of complying with SEC Rule 15c2-12 (the "Rule"), deems such Preliminary 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 and belief of the District, the Preliminary 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 District concerning the absence of material misstatements and omissions in the Preliminary Official Statement are addressed elsewhere in this Notice of Sale and Bidding Instructions and in the Preliminary Official Statement.

The District will furnish to the Initial Purchaser, acting through a designated senior representative, in accordance with instructions received from the Initial Purchaser, within seven (7) business days from the sale date an aggregate of 100 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 copies in excess of the number specified shall be prepared and distributed at the cost of the Initial Purchaser. The Initial Purchaser is 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 District 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 District will agree in the Resolution pursuant to which the Bonds will be issued (the "Resolution") to provide certain periodic information and notices of certain events in accordance with the Rule, as described in the Official Statement under "Continuing Disclosure of Information". The Initial Purchaser's obligation to accept and pay for the Bonds is conditioned upon delivery to the Initial Purchaser or its agent of a certified copy of the Resolution containing the agreement described under such heading.

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 Preliminary Official Statement, as available over and above the normal mailing, may be obtained at the offices of HilltopSecurities, 777 Main Street, Suite 1525, Fort Worth, Texas 76102, Financial Advisor to the District.

* * *

On the date of the sale, the District will, in the Resolution, confirm its approval of the form and content of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and authorize its use in the reoffering of the Bonds by the Initial Purchaser.

President, Board of Directors
Canyon Falls Water Control and Improvement District No. 2
of Denton County

ATTEST:

Secretary, Board of Directors
Canyon Falls Water Control and Improvement District No. 2
of Denton County

October 13, 2021

BOND YEARS

<u>Bonds Maturing</u>	<u>Amount</u>	<u>Bond Years</u>	<u>Accumulated Bond Years</u>
2023	\$ 255,000	308.125	893.333
2024	265,000	585.208	893.333
2025	275,000	882.292	1,775.625
2026	280,000	1,178.333	2,953.958
2027	290,000	1,510.417	4,464.375
2028	300,000	1,862.500	6,326.875
2029	305,000	2,198.542	8,525.417
2030	315,000	2,585.625	11,111.042
2031	320,000	2,946.667	14,057.708
2032	325,000	3,317.708	17,375.417
2033	330,000	3,698.750	21,074.167
2034	340,000	4,150.833	25,225.000
2035	350,000	4,622.917	29,847.917
2036	355,000	5,043.958	34,891.875
2037	365,000	5,551.042	40,442.917
2038	375,000	6,078.125	46,521.042
2039	385,000	6,625.208	53,146.250
2040	395,000	7,192.292	60,338.542
2041	410,000	7,875.417	68,213.958
2042	420,000	8,487.500	76,701.458
2043	430,000	9,119.583	85,821.042
2044	445,000	9,882.708	95,703.750
2045	455,000	10,559.792	106,263.542
2046	470,000	11,377.917	117,641.458

Average Maturity 13.914 Years

OFFICIAL BID FORM

Honorable President and Board of Directors
Canyon Falls Water Control and Improvement District No. 2 of Denton County

October 28, 2021

Reference is made to your Preliminary Official Statement and Notice of Sale and Bidding Instructions, dated October 13, 2021, for \$8,455,000 CANYON FALLS WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 OF DENTON COUNTY UNLIMITED TAX 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 Preliminary Official Statement, we will pay you _____% of par for Bonds maturing and bearing interest as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2/15/2023	\$ 255,000	_____	2/15/2031 ^(a)	\$ 320,000	_____	2/15/2039 ^(a)	\$ 385,000	_____
2/15/2024	265,000	_____	2/15/2032 ^(a)	325,000	_____	2/15/2040 ^(a)	395,000	_____
2/15/2025	275,000	_____	2/15/2033 ^(a)	330,000	_____	2/15/2041 ^(a)	410,000	_____
2/15/2026	280,000	_____	2/15/2034 ^(a)	340,000	_____	2/15/2042 ^(a)	420,000	_____
2/15/2027	290,000	_____	2/15/2035 ^(a)	350,000	_____	2/15/2043 ^(a)	430,000	_____
2/15/2028 ^(a)	300,000	_____	2/15/2036 ^(a)	355,000	_____	2/15/2044 ^(a)	445,000	_____
2/15/2029 ^(a)	305,000	_____	2/15/2037 ^(a)	365,000	_____	2/15/2045 ^(a)	455,000	_____
2/15/2030 ^(a)	315,000	_____	2/15/2038 ^(a)	375,000	_____	2/15/2046 ^(a)	470,000	_____

(a) The Bonds maturing on and after February 15, 2028 are subject to redemption prior to maturity at the option of the District, in whole or in part, on February 15, 2027, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption.

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:

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

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

Total Interest Cost from November 30, 2021	\$ _____
Plus Discount	_____
NET INTEREST COST	\$ _____
EFFECTIVE INTEREST RATE	_____ %

The Initial Bond shall be registered in the name of _____, which will, upon payment for the Bonds, be canceled 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 _____, in the amount of \$169,100.00, 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 Preliminary Official Statement and Notice of Sale and Bidding Instructions.

We are having the Bonds of the following maturities _____ insured by _____ at a premium of \$ _____, **said premium to be paid by the Initial Purchaser**. Any fees to be paid to the rating agencies as a result of said insurance **will be paid by the Initial Purchaser**.

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, BOKF, NA, Dallas, Texas not later than 10:00 AM, CST, on November 30, 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 Initial Purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

The District may not accept this bid until it has received from the bidder a complete 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 and Bidding Instructions will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

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⁽¹⁾ that boycotts or will boycott Israel. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meaning 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⁽²⁾ (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.

Additionally, by executing this Official Bid Form, the bidder also represents and verifies that, to the extent this Official Bid Form represents a contract for goods or services within the meaning of Section 2274.002 of the Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), as amended, solely for purposes of Chapter 2274 of the Texas Government Code, and except to the extent otherwise required by applicable Texas or 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⁽¹⁾ that boycotts or will boycott energy companies.

The terms "boycotts energy companies" and "boycott energy companies" as used in this paragraph have the meaning assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, the bidder also represents and verifies that, to the extent this Official Bid Form represents a contract for the purchase of goods or services within the meaning of Section 2274.002 of the Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), as amended, solely for purposes of Chapter 2274 of the Texas Government Code, and except to the extent otherwise required by applicable Texas or 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⁽¹⁾ that has a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association or will discriminate against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001(3) of the Texas Government Code (as added by SB 19).

By submitting a bid, bidder makes and certifies to the representations necessary and convenient for the compliance with the aforementioned laws and, at the request of Issuer, agrees to execute further written certifications as may be necessary or convenient for Issuer to establish compliance with the aforementioned laws.

⁽¹⁾ "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, but does not mean a sole proprietorship.

⁽²⁾ "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.

The undersigned agrees to complete, execute, and deliver to the District, not later than the business day following the award of the bid, a certificate relating to the "issue price" of the Bonds in the form accompanying the Notice of Sale and Bidding Instructions. To the extent that such "issue price" certificate is not adequate for inclusion in the District's federal tax certificate, the undersigned agrees to execute an issue price certificate as may be required by the District's Bond Counsel.

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 Initial Purchaser or Manager

Authorized Representative

Phone Number

Signature

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the Canyon Falls Water Control and Improvement District No. 2 of Denton County, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 28th day of October 2021.

ATTEST:

President, Board of Directors
Canyon Falls Water Control and Improvement
District No. 2 of Denton County

Secretary, Board of Directors
Canyon Falls Water Control and Improvement
District No. 2 of Denton County

CERTIFICATE OF UNDERWRITER – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET

The undersigned hereby certifies as follows with respect to the sale of \$8,455,000 Canyon Falls Water Control and Improvement District No. 2 of Denton County Unlimited Tax Bonds, Series 2021 (the “Bonds”):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the “Underwriter”) that has purchased the Bonds from Canyon Falls Water Control and Improvement District No. 2 of Denton County (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.
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:

<u>Principal Amount</u>	<u>Year of Maturity</u>	<u>Offering Price (%/Yield)</u>	<u>Principal Amount</u>	<u>Year of Maturity</u>	<u>Offering Price (%/Yield)</u>
\$ 255,000	2/15/2023	_____	\$ 350,000	2/15/2035	_____
265,000	2/15/2024	_____	355,000	2/15/2036	_____
275,000	2/15/2025	_____	365,000	2/15/2037	_____
280,000	2/15/2026	_____	375,000	2/15/2038	_____
290,000	2/15/2027	_____	385,000	2/15/2039	_____
300,000	2/15/2028	_____	395,000	2/15/2040	_____
305,000	2/15/2029	_____	410,000	2/15/2041	_____
315,000	2/15/2030	_____	420,000	2/15/2042	_____
320,000	2/15/2031	_____	430,000	2/15/2043	_____
325,000	2/15/2032	_____	445,000	2/15/2044	_____
330,000	2/15/2033	_____	455,000	2/15/2045	_____
340,000	2/15/2034	_____	470,000	2/15/2046	_____

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 nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, 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 an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

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 October 28, 2021.

The undersigned understands that the statements made herein will be relied upon by the District and Allen Boone Humphries Robinson 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.

EXECUTED AND DELIVERED this _____ day of _____, 2021.

(Name of Underwriter or Manager)

By _____

Title _____

CERTIFICATE OF UNDERWRITER – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS NOT MET

The undersigned hereby certifies as follows with respect to the sale of \$8,455,000 Canyon Falls Water Control and Improvement District No. 2 of Denton County Unlimited Tax Bonds, Series 2021 (the “Bonds”):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the “Underwriter”) that has purchased the Bonds from Canyon Falls Water Control and Improvement District No. 2 of Denton County (the “District”).
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 Amount Maturing</u>	<u>Year of Maturity</u>	<u>Offering Price (%/Yield)</u>	<u>Principal Amount Maturing</u>	<u>Year of Maturity</u>	<u>Offering Price (%/Yield)</u>
\$ 255,000	2/15/2023	_____	\$ 350,000	2/15/2035	_____
265,000	2/15/2024	_____	355,000	2/15/2036	_____
275,000	2/15/2025	_____	365,000	2/15/2037	_____
280,000	2/15/2026	_____	375,000	2/15/2038	_____
290,000	2/15/2027	_____	385,000	2/15/2039	_____
300,000	2/15/2028	_____	395,000	2/15/2040	_____
305,000	2/15/2029	_____	410,000	2/15/2041	_____
315,000	2/15/2030	_____	420,000	2/15/2042	_____
320,000	2/15/2031	_____	430,000	2/15/2043	_____
325,000	2/15/2032	_____	445,000	2/15/2044	_____
330,000	2/15/2033	_____	455,000	2/15/2045	_____
340,000	2/15/2034	_____	470,000	2/15/2046	_____

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 Amount Maturing</u>	<u>Year of Maturity</u>	<u>Offering Price (%/Yield)</u>	<u>Principal Amount Maturing</u>	<u>Year of Maturity</u>	<u>Offering Price (%/Yield)</u>
\$ 255,000	2/15/2023	_____	\$ 350,000	2/15/2035	_____
265,000	2/15/2024	_____	355,000	2/15/2036	_____
275,000	2/15/2025	_____	365,000	2/15/2037	_____
280,000	2/15/2026	_____	375,000	2/15/2038	_____
290,000	2/15/2027	_____	385,000	2/15/2039	_____
300,000	2/15/2028	_____	395,000	2/15/2040	_____
305,000	2/15/2029	_____	410,000	2/15/2041	_____
315,000	2/15/2030	_____	420,000	2/15/2042	_____
320,000	2/15/2031	_____	430,000	2/15/2043	_____
325,000	2/15/2032	_____	445,000	2/15/2044	_____
330,000	2/15/2033	_____	455,000	2/15/2045	_____
340,000	2/15/2034	_____	470,000	2/15/2046	_____

4. As set forth in the Notice of Sale and Bidding Instructions, the Underwriter has agreed in writing that, 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. Pursuant to such agreement, the Underwriter has neither 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 nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, 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 an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

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 October 28, 2021.

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 will be relied upon by the District and Allen Boone Humphries Robinson 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.

EXECUTED AND DELIVERED this _____ day of _____, 2021.

(Name of Underwriter or Manager)

By _____

Title _____