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*Notice of Sale and Bid Form*

**Note:**

- **Bonds are to be awarded on a true interest cost (TIC) basis as described herein.**
- **No bid for fewer than all of the Bonds offered or for less than 100% of the aggregate principal amount of the Bonds will be entertained.**
- **If fewer than three conforming bids are received for the Bonds offered, the Town may require the winning bidder to “hold the offering price” as described herein with respect to any maturities of the Bonds that have not satisfied the 10% test (as defined herein) for five business days.**

**\$13,975,000\***  
**Town of Holly Springs, North Carolina**  
**General Obligation Refunding Bonds,**  
**Series 2022**

*Sealed and Electronic Bids Will Be Received Until 11 A.M., North Carolina Time,  
January 25, 2022*

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\*Preliminary, subject to change as described herein.

**NOTICE OF SALE**  
**\$13,975,000\***  
**TOWN OF HOLLY SPRINGS, NORTH CAROLINA**  
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2022**

Sealed and electronic bids (as described below) will be received until 11 o'clock A.M., North Carolina Time, January 25, 2022, by the undersigned at its office at 3200 Atlantic Avenue, Longleaf Building, Raleigh, North Carolina 27604, at which time and place such bids will be opened for the purchase of \$13,975,000\* General Obligation Refunding Bonds, Series 2022 (the "Bonds") of the Town of Holly Springs, North Carolina (the "Town"), dated their date of delivery and maturing annually on February 1, as follows\*:

\$1,085,000 2023	\$1,135,000 2028	\$1,210,000 2033
995,000 2024	1,080,000 2029	465,000 2034
1,000,000 2025	1,110,000 2030	485,000 2035
1,015,000 2026	1,150,000 2031	475,000 2036
1,115,000 2027	1,180,000 2032	475,000 2037

Proposals may be delivered by hand, by mail or electronically. Electronic proposals must be submitted via BiDCOMP/PARITY, but no proposal shall be considered which is not actually received by the State Treasurer at the place and on or prior to the date and time specified above for submission of bids. The State Treasurer shall not be responsible for any failure, misdirection or error in the means of transmission selected by any firm submitting a proposal.

The Town reserves the right to change, cancel or reschedule, from time to time, the date or time established for the receipt of bids and will undertake to notify registered prospective bidders via notification published on BiDCOMP/PARITY, or by other means as necessary. The Town may change the scheduled delivery date for the Bonds by notice given in the same manner as that set forth for a change in the date for the receipt of bids.

To the extent any instructions or directions set forth in BiDCOMP/PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about BiDCOMP/PARITY, potential purchasers may contact BiDCOMP/PARITY at (212) 849-5021. Each prospective purchaser is solely responsible for making necessary arrangements to access BiDCOMP/PARITY for purposes of submitting its proposal in a timely manner and in compliance with this Notice of Sale. North Carolina laws governs the terms of this Notice of Sale and the sale of the Bonds.

The North Carolina Local Government Commission (the "Commission") does not have a registration process for prospective purchasers. Prospective purchasers who intend to submit their proposal by BiDCOMP/PARITY must register and be contracted customers of Ipreo LLC's BiDCOMP competitive bidding system before the sale. By submitting a bid for the Bonds, the prospective purchaser represents and warrants to the Commission that such proposal is submitted for and on behalf of the prospective purchaser by an officer or agent who is duly authorized to bind the prospective purchaser to a legal, valid and enforceable contract for the purchase of the bonds. **Neither the Commission nor the Town has reviewed or verified the accuracy or completeness of the information contained in BiDCOMP/PARITY and assume no responsibility for the accuracy or completeness of such information.**

Interest on the Bonds will be payable on each February 1 and August 1, beginning August 1, 2022, and the principal of the Bonds will be payable at maturity or upon prior redemption to DTC or its nominee, as registered owner of the Bonds.

The Bonds will be general obligations of the Town, all the locally taxable property within which will be subject to the levy of an ad valorem tax, without limitation as to rate or amount, to pay the principal of the Bonds and the interest thereon.

The Bonds will be issued as fully registered bonds in a book-entry only system under which The Depository Trust Company, New York, New York ("DTC") will act as securities depository nominee for the Bonds as fully described in the Preliminary Official Statement described below. Purchases and transfers of the Bonds may be made only in authorized denominations of \$5,000 and in accordance with the practices and procedures of DTC. The principal and interest on the Bonds will be payable to owners of Bonds shown on the records of DTC at the close of business on the 15<sup>th</sup> day of the month preceding an interest payment date or a bond payment date.

\*Preliminary, subject to change.

The Bonds maturing on or prior to February 1, 2032 will not be subject to redemption prior to their respective maturities. The Bonds maturing on February 1, 2033 and thereafter will be subject to redemption, at the option of the Town, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than February 1, 2032, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued thereon to the date fixed for redemption.

If less than all the Bonds are called for redemption, the Town shall select the maturity or maturities of the Bonds to be redeemed in such manner as the Town in its discretion may determine, and DTC and its participants shall determine which Bonds within a maturity are to be redeemed in accordance with its rules and procedures; *provided, however*, that the portion of any Bond to be redeemed must be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

When the Town elects to redeem any Bonds, notice of such redemption of such Bonds, stating the redemption date, redemption price, any conditions to the redemption and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there are due and payable on each Bond or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of such Bonds, by prepaid certified or registered United States mail (or by such other means as may be permitted by DTC's rules and procedures), at the address provided to the Town by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC, or its nominee, is not the registered owner of such Bonds, the Town will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of such Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the Town. The Town will also mail or transmit by facsimile or electronic submission a copy of the notice of redemption within the time set forth above (1) to the Commission and (2) to the Municipal Securities Rulemaking Town Council (the "MSRB") through the Electronic Municipal Market Access ("EMMA") system or other electronic format as prescribed by the MSRB, but any failure or defect in respect thereto will not affect the validity of the redemption.

If at the time of mailing of the notice of redemption there is not on deposit money sufficient to redeem the Bonds called for redemption, such notice may state that it is conditional on the deposit of money for the redemption on the date of redemption as set forth in the notice. Any notice, once given, may be withdrawn by notice delivered in the same manner as the notice of redemption was given.

On the date fixed for redemption, notice having been given as hereinabove described, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to such redemption date. If a portion of a Bond shall have been selected for redemption, a new Bond or Bonds of the same maturity, of any authorized denomination or denominations and bearing interest at the same rate shall be delivered for the unredeemed portion of the principal amount of such Bond.

No bid for less than all of the Bonds offered or for less than 100% of the aggregate principal amount of the Bonds will be entertained. Bidders are requested to indicate the interest rate or rates in multiples of 1/8 or 1/20 of 1%, to be applicable to the maturities of the Bonds. All Bonds maturing on the same date must bear interest at the same rate, and the interest rate on any Bond shall be the same throughout its life. Any number of interest rates may be named, provided the difference between the lowest and highest rates named in the bid shall not exceed 3% with a maximum coupon of 5%. The Bonds will be awarded to the bidder offering to purchase the Bonds at the lowest interest cost to the Town, such cost to be determined in accordance with the true interest cost (TIC) method by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the payment dates to the delivery date (February 15, 2022) and to equal the price bid.

As promptly as reasonably practicable after the bids are opened, the Town will notify the bidder to which the Bonds will be awarded, if and when such award is made, and, as described below, such bidder, upon such notice, shall advise the Town and the Local Government Commission by telephone of the initial offering prices and yields to the public of each maturity of the Bonds and shall, within 30 minutes, confirm that information by facsimile transmission. Such offering prices and yields, among other things, will be used by the Town to calculate the final aggregate principal amount of the Bonds and the final principal amount of each maturity of the Bonds.

**The aggregate principal amount and the principal amount of each maturity of the Bonds described above and as set forth in the Bid Form attached hereto are subject to adjustment after the receipt and opening of sealed bids for their purchase as described below. The aggregate principal amount of the Bonds may be increased or decreased after the receipt and opening of sealed bids for their purchase in an amount determined by the Town in its sole discretion to take into account the amount of the premium bid (if any). In making such changes, the aggregate principal amount of the Bonds will not be increased or decreased by more than twenty percent (20%). The principal amount of each maturity of the Bonds may be increased or decreased by an amount not to exceed 20% of the principal amount shown above for each such maturity. The bid price paid by the successful bidder will be adjusted to reflect any adjustments in the principal amount of the Bonds. Such adjusted bid will reflect changes in the dollar amount of the underwriting discount and original issue premium, but will not change the underwriting discount percentage based on the bid price in the winning bid and the initial reoffering prices. The interest rate specified by the successful bidder for each maturity at the initial reoffering price will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.**

Bidders may contact DEC Associates Inc., Charlotte, North Carolina, at 704-334-7480 (Attention: Andrew Carter) for more information.

Each bid delivered by hand or mail must be submitted on a form to be furnished with additional information by the undersigned and must be enclosed in a sealed envelope marked "Bid for Series 2022 Bonds (Town of Holly Springs)." A good faith deposit (the "Deposit") in the amount of **\$279,500 (regardless of the final par amount of the Bonds)** will be required for each bid (this will be the amount of the deposit regardless of any adjustments to the maturity schedule or the aggregate amount of the Bonds). The Deposit may be submitted in the form of an official bank check, a cashier's check or a certified check upon an incorporated bank or trust company payable unconditionally to the order of the State Treasurer of North Carolina accompanying the bid. Alternatively, the successful bidder's Deposit may be a wire transfer upon initial notification of the award of the Bonds. Award or rejection of bids will be made on the date above stated for receipt of bids, and any checks of unsuccessful bidders will be returned immediately. If the Deposit of the successful bidder is provided by check, the check of the successful bidder will be cashed by the State Treasurer. If the Bonds are awarded to a bidder whose Deposit is by wire transfer, the successful bidder must submit its Deposit to the State Treasurer not later than 2:00 P.M. North Carolina Time on the date of the award of the Bonds, to the bank account instructed to the successful bidder by the State Treasurer during the initial notification of the award. If the Deposit is not received by that time, the Commission will reject its award to the initial successful bidder, and will contact the next lowest bidder and offer said bidder the opportunity to become the successful bidder, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith wire within two hours of the time offered. The Commission will not award the Bonds to the successful bidder absent receipt of a good faith deposit prior to awarding the Bonds. The Deposit of the successful bidder will be invested solely for the benefit of the Town, and no interest on the Deposit will accrue to the successful bidder. At closing, the principal amount of the Deposit will be applied, without interest, as partial payment for the Bonds. If the successful bidder fails to comply with the terms of its bid, the Deposit and any interest earnings will be retained as and for full liquidated damages. If the Town fails to deliver the Bonds, then the Deposit and any interest earnings will be remitted to the successful bidder as and for full liquidated damages.

The winning bidder shall assist the Town in establishing the issue price of the Bonds and shall execute and deliver to the Town at the time of delivery of the bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto, with such modifications as may be appropriate or necessary, in the reasonable

judgment of the winning bidder, the Town and Bond Counsel to the Town.

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

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

**The Commission and the Town will consider any bid submitted pursuant to this Notice of Sale a firm offer for the purchase of the Bonds as specified in the bid.**

**If the competitive sale requirements for the Bonds as specified above are not satisfied, the Town will advise the winning bidder and the provisions set forth below will apply.** Upon such event, the Town may determine (on a maturity-by-maturity basis) to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder for the Bonds shall promptly advise the Town upon the award of the Bonds of (i) the initial offering price to the public of each maturity of the Bonds and (ii) each maturity of the Bonds that satisfies the 10% test. Any maturities of the Bonds that do not satisfy the 10% test as of the date and time of award of the Bonds shall be subject to the hold-the-offering-price rule as described below. **The winning bidder may not cancel its bid if the hold-the-offering-price rule applies to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule if the competitive sale requirements are not satisfied.**

By submitting a bid for the Bonds, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the sale date at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule applies to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall advise the Town promptly after the close of the fifth (5<sup>th</sup>) business day after the sale date whether the underwriters have sold at least 10% of each maturity of the Bonds that are subject to the hold-the-offering-price rule to the public at prices that are no higher than the initial offering price for such maturity prior to selling any Bonds of such maturity at a price higher than the initial offering price to the public.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Town the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation continues, whether or not the delivery date for the Bonds (the “Closing Date”) has occurred, until either

(i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Town or bond counsel.

The Town acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any of the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) if a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (iii) if an underwriter or a dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Town further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable.

By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the 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 third-party distribution agreement, as applicable:

(A) (1) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either (i) it has sold all Bonds of that maturity allocated to it or (ii) it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the Closing Date may be at reasonable periodic intervals or other upon request of the Town and (2) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires;

(B) to promptly notify the winning bidder of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below); and

(C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement 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 or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either (1) it has sold all Bonds of that maturity allocated to it or (2) it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the Closing Date may be at reasonable periodic intervals or other upon request of the Town or the winning bidder and (B) comply with the hold-the-offering-price rule, if applicable, if and for

so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Commission or the Town (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 third-party distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) “sale date” means the date that the Bonds are awarded by the Commission to the winning bidder.

The Bonds will be delivered on or about February 15, 2022, against payment therefore in FEDERAL RESERVE FUNDS, at DTC.

It is anticipated that CUSIP identification numbers will be noted on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of or pay for the Bonds in accordance with the terms of their bids. The Town will pay expenses in relation to the noting of CUSIP numbers on the Bonds and the CUSIP Service Bureau charge for the assignment of numbers.

The approving opinion of Parker Poe Adams & Bernstein LLP, Raleigh, North Carolina, Bond Counsel for the Town, the proposed form of which appears in the Official Statement relating to the Bonds, will be furnished without cost to the purchaser. In this transaction Parker Poe Adams & Bernstein LLP will serve only as bond counsel to the Town and will not represent any bidder or the purchaser of the Bonds. There will also be furnished the usual closing papers.

Prior to the sale of the Bonds, the Town will adopt a resolution undertaking, for the benefit of the beneficial owners of the Bonds, to provide the information described under the heading “Continuing Disclosure” in the Official Statement relating to the Bonds in the manner provided therein.

The right to reject all bids and to waive minor irregularities or informalities is reserved.

Copies of the Preliminary Official Statement and Notice of Sale and Bid Form relating to the Bonds may be obtained from the Local Government Commission, 3200 Atlantic Avenue, Longleaf Building, Raleigh, North Carolina 27604 (919-814-4300).

The Preliminary Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information allowed to be made available to the successful bidder by the Commission in a Final Official Statement. By the submission of a bid for the Bonds, the successful bidder contracts for the receipt of up to one hundred (100) copies of the Official Statement which will be delivered to the successful bidder by February 3, 2022. In order to complete the Final Official Statement the successful bidder must furnish on behalf of the underwriters of the Bonds the following information to the Commission by facsimile transmission (919-855-5812) or overnight delivery received by the Commission within 24 hours

after the receipt of bids for the Bonds:

- a. Initial offering prices (expressed as a price, exclusive of accrued interest, or yield per maturity).
- b. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars).
- c. The identities of the underwriters if the successful bidder is a part of a group or syndicate.
- d. Any other material information necessary for the Final Official Statement but not known to the Town or the Commission (such as the purchase of credit enhancement).
- e. The successful bidder must provide the initial public offering prices, as the Town will not include in the Official Statement any "NRO" ("not reoffered") designation to any maturity of the Bonds.

Concurrently with the delivery of the Bonds, the Mayor or Mayor Pro Tem, the Town Manager and the Finance Director of the Town will deliver to the purchaser of the Bonds a certificate stating that, to the best of their knowledge, the Preliminary Official Statement did not, as of its date and as of the sale date, and the Final Official Statement does not, as of the date of delivery of the Bonds, contain an untrue statement of a material fact or omit to state a material fact required to be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder of the bonds for inclusion in the Final Official Statement.

In addition, concurrently with the delivery of the Bonds, the Secretary of the Commission will deliver to the purchaser of the Bonds a certificate stating that nothing has come to her attention which would lead her to believe that the Preliminary Official Statement, as of its date and as of the date of sale, and the Final Official Statement, as of the date of delivery of the bonds, contains an untrue statement of a material fact or omits to state a material fact required to be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided such certificate shall not include consideration of information supplied by or which should have been supplied by, the successful bidder of the bonds for inclusion in the Final Official Statement.

**LOCAL GOVERNMENT COMMISSION  
Raleigh, North Carolina**

By: Sharon G. Edmundson  
Secretary of the Commission

## CERTIFICATE AS TO ISSUE PRICE

[NOTE: A certificate in substantially the following form will be required if the competitive bidding requirements described in the Notice of Sale are satisfied for the Bonds. If the competitive bidding requirements are not satisfied for the Bonds, a certificate evidencing compliance with the 10% test and/or the hold-the-offering-price rule (as each is described in the Notice of Sale), as applicable for each maturity, shall be required.]

The undersigned, on behalf of [NAME OF UNDERWRITER REPRESENTATIVE] (the “Representative”), on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (collectively, the “Underwriting Group”), hereby certifies as follows with respect to the sale of the \$13,975,000\* Town of Holly Springs, North Carolina, General Obligation Refunding Bonds, Series 2022 (the “Bonds”).

### 1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Underwriting Group are the prices listed in Schedule A attached hereto (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Underwriting Group in formulating its bid to purchase the Bonds. Attached hereto as Schedule B is a true and correct copy of the bid provided by the Representative to purchase the Bonds.

(b) Neither the Representative nor any member of the Underwriting Group was given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Representative constituted a firm offer to purchase the Bonds by the Underwriting Group.

### 2. Defined Terms.

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(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. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(c) “Sale Date” means means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 25, 2022.

(d) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

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\*Preliminary, subject to change.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative'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 Town with respect to certain of the representations set forth in the Tax Certificate delivered in connection with the issuance of the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Parker Poe Adams & Bernstein LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is not included in the gross income of the owners of the Bonds for purposes of federal income taxation, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that Bond Counsel may give to the Town from time to time relating to the Bonds.

Dated: February \_\_\_\_\_, 2022.

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

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

Firm: \_\_\_\_\_

SCHEDULE A

EXPECTED OFFERING PRICES

<u>Due</u> <u>February 1</u>	<u>Principal</u> <u>Amount Maturing</u>	<u>Initial</u> <u>Offering Price</u>
2023	\$_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
2032	_____	_____
2033	_____	_____
2034	_____	_____
2035	_____	_____
2036	_____	_____
2037	_____	_____

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SCHEDULE B

[Attach Copy of Representative's Bid]

**BID FOR BONDS**

\_\_\_\_\_, 2022

*Local Government Commission  
3200 Atlantic Avenue  
Longleaf Building  
Raleigh, North Carolina 27604*

*Ladies and Gentlemen:*

*Subject to the provisions and in accordance with the terms set forth in the Notice of Sale and Bid Form relating to the bonds hereinafter mentioned, which provisions and terms are hereby made a part of this bid, we make the following bid for the bonds of the Town of Holly Springs, North Carolina, described in said Notice of Sale, this bid being for not less than all of said bonds:*

*For the \$13,975,000\* General Obligation Refunding Bonds, Series 2022 maturing and bearing interest as follows:*

<b>Due</b>	<b>Principal</b>	<b>Interest</b>
<b>February 1</b>	<b>Amount*</b>	<b>Rate</b>
2023	\$1,085,000	_____ %
2024	995,000	_____ %
2025	1,000,000	_____ %
2026	1,015,000	_____ %
2027	1,115,000	_____ %
2028	1,135,000	_____ %
2029	1,080,000	_____ %
2030	1,110,000	_____ %
2031	1,150,000	_____ %
2032	1,180,000	_____ %
2033	1,210,000	_____ %
2034	465,000	_____ %
2035	485,000	_____ %
2036	475,000	_____ %
2037	475,000	_____ %

*We will pay \$13,975,000\* for all of said bonds plus a premium of \$ \_\_\_\_\_.*

*We will accept delivery of said bonds at The Depository Trust Company in accordance with the Notice of Sale.*

\_\_\_\_\_  
*\*Preliminary, subject to change.*

**One of the following two paragraphs must be checked and completed as appropriate:**

- ( ) We enclose herewith a check for **\$279,500**, payable to the State Treasurer of North Carolina, to provide the good faith deposit required by the Notice of Sale. In the event this bid is the successful bid, then said check will be cashed in accordance with the terms of the Notice of Sale. Otherwise, said good faith deposit is to be returned to the undersigned.
- ( ) A good faith deposit of **\$279,500** is not enclosed, but will be delivered to the State Treasurer of North Carolina by wire transfer by 3:00 p.m. on the date hereof if the undersigned is the successful bidder for said bonds in accordance with the term in the Notice of Sale. Said good faith deposit is to be applied in accordance with the terms of the Notice of Sale.

The closing papers referred to in said Notice of Sale are to include a certificate, dated as of the day of the delivery of the Bonds, stating that there is no litigation pending or, to the knowledge of the signer(s) of such certificate, threatened affecting the validity of the Bonds.

To obtain the initial offering prices and yields of said bonds, please contact

\_\_\_\_\_ at \_\_\_\_\_.  
Name Telephone Number

\_\_\_\_\_  
(Name of Firm)

\_\_\_\_\_  
(Signature of Authorized Officer)

(No addition or alteration, except as provided above, is to be made to this bid which may be detached from the annexed Notice of Sale. Bidder may for information only enter its calculation of true interest cost to be \_\_\_\_\_%. This information is neither required nor to be construed as a part of the foregoing bid.)