

**NOTICE OF SALE  
AND  
BIDDING INSTRUCTIONS**

**ON**

~~\$10,700,000~~**\*10,420,000\***  
**TOWN OF ADDISON, TEXAS**  
**(Dallas County)**  
**COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024**

**Bids Due Tuesday, September 10, 2024, at 10:30 AM, CDT**

THE CERTIFICATES **WILL NOT BE** DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

**THE SALE**

**CERTIFICATES OFFERED FOR SALE AT COMPETITIVE BIDDING** . . . The Town of Addison, Texas (the "Town") is offering for sale its ~~\$10,700,000~~**\*10,420,000\*** Combination Tax and Revenue Certificates of Obligation, Series 2024 (the "Certificates"). Bidders may submit bids for the Certificates by any of the following methods:

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

**BIDS DELIVERED TO TOWN** . . . Signed, sealed bids, plainly marked "Bid for Certificates," should be addressed to "Mayor and City Council, Town of Addison, Texas," and should be delivered to Hilltop Securities Inc. ("HilltopSecurities"), the Town's Financial Advisor, at 777 Main Street, Suite 1525, Fort Worth, Texas 76102, prior to 10:00 AM, CDT, on the date of the sale.

**ELECTRONIC BIDDING PROCEDURES** . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of i-Deal, LLC Parity System ("PARITY"). Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The Town will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. Bidders submitting an electronic bid shall be required to submit signed Official Bid Forms to Nick Bulaich, HilltopSecurities, 777 Main Street, Suite 1525, Fort Worth, Texas 76102 no later than the date of sale.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Certificates on the terms provided in this Notice of Sale and Bidding Instructions, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Town. The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

**If any provisions of this Notice of Sale and Bidding Instructions shall conflict 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. All electronic bids shall be deemed to incorporate the provisions of the Official Notice of Sale, Official Bid Form and the Official Statement. **For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the Town, as described under "Basis for 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. The winning bidder shall submit a signed bid form on the date of sale reflecting the correct amortization of the Certificates if not previously submitted.**

**BIDS BY TELEPHONE OR FACSIMILE** . . . Bidders must submit, prior to September 10, 2024, SIGNED Official Bid Forms to Nick Bulaich, HilltopSecurities, 777 Main Street, Suite 1525, Fort Worth, Texas 76102, and submit their bid by telephone or facsimile (fax) on the date of the sale.

Telephone bids will be accepted at (817) 332-9710, between 9:30 AM, CDT and 10:30 AM, CDT on the date of the sale.

Fax bids will be received between 9:30 AM, CDT and 10:30 AM, CDT, on the date of the sale at (817) 348-5869, attention: Soyya Chumley.

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

The Town and HilltopSecurities are not responsible if such telephone or fax number is busy which prevents a bid or bids from being submitted on a timely basis. 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 any of the above described options are exercised.

\* Preliminary, subject to change. See "The Certificates – Adjustment of Principal Amounts and/or Types of Bids."

**PLACE AND TIME OF BID OPENING . . .** The bids for the Certificates will be publicly opened and read at the offices of the Financial Advisor, at 10:30 AM, CDT, Tuesday, September 10, 2024. 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 CERTIFICATES . . .** The City Council will take action to award the Certificates (or reject all bids) at a meeting scheduled to convene at 7:30 PM, CDT, on the date of the bid opening, and if the Certificates are awarded, will adopt an ordinance authorizing the Certificates and approving the Preliminary Official Statement (the "Certificate Ordinance").

**THE CERTIFICATES**

**DESCRIPTION . . .** The Certificates will be dated September 1, 2024 (the "Dated Date"). Interest will accrue from the Delivery Date (anticipated to be October 9, 2024) and will be paid on February 15, 2025, and each February 15 and August 15 thereafter until the earlier of maturity or prior redemption. The Certificates will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Certificates 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>
2025	\$ 435,000	2032	515,000	2038	535,000
2026	380,000	2033	545,000	2039	560,000
2027	405,000	2034	575,000	2040	575,000
2028	425,000	2035	460,000	2041	610,000
2029	450,000	2036	495,000	2042	630,000
2030	470,000	2037	510,000	2043	665,000
2031	495,000			2044	685,000

**OPTIONAL REDEMPTION . . .** The Town reserves the right, at its option, to redeem the Certificates having stated maturities on and after February 15, 2035, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

**ADJUSTMENT OF PRINCIPAL AMOUNTS AND/OR TYPES OF BIDS . . .** Prior to 1:00 PM, CDT on the business day before the bids are due, the Town may, in its sole discretion, adjust the principal amount set forth above (the "Maturity Schedule") and/or the type of bid required on the Certificates. HilltopSecurities, as Financial Advisor to the Town, will give notice of any such adjustment by Parity. Should such adjustments be made, a revised Official Bid Form will be made available through i-Deal Prospectus and PARITY. For purposes of this paragraph, the term "Maturity Schedule" shall include any adjustments to the principal amounts shown above including the total par amount so made by the Town by posting a Parity Wire. **Also see "Conditions of the Sale" herein.**

After final computation of the Bids, in awarding the sale to the best bidder, the Town may determine, in its sole discretion, that the funds necessary to carry out the purposes for which the Certificates are to be issued may be either more or less than the proceeds of the proposed sale of all of the Certificates. Upon making such determination, the Town reserves the right to adjust the principal amount (in \$5,000 increments) of the Certificates (including amortization installments in the case of Term Certificates, if any) shown on the Maturity Schedule, such amount not to exceed 25% per maturity. Such adjustments, if any, shall be made within 4 hours of the award of the Certificates. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid by the successful bidder will be adjusted to reflect changes in the aggregate principal amounts of the Certificates. Such adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and the original issue discount/premium, if any, but will not change the selling compensation per \$1,000 from the selling compensation that would have been received based on the purchaser price in the winning bid and initial offering prices.

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

**SERIAL CERTIFICATES AND/OR TERM CERTIFICATES . . .** Bidders may provide that all of the Certificates be issued as serial Certificates maturing in accordance with the Maturity Schedule shown above or may provide that any two or more consecutive annual principal amounts be combined into one or more term Certificates.

\* Preliminary, subject to change. See "The Certificates – Adjustment of Principal Amounts and/or Types of Bids."

**MANDATORY SINKING FUND . . .** If the successful bidder elects to alter the Maturity Schedule reflected above and convert principal amounts of the Serial Certificates into "Term Certificates", such "Term Certificates" shall be subject to mandatory redemption on the first February 15 next following the last maturity for Serial Certificates, and annually thereafter on each February 15 until the stated maturity for the Term Certificates at the redemption prices of par plus accrued interest to the date of redemption. The principal amounts of the Term Certificates to be redeemed on each mandatory redemption date shall be the principal amounts that would have been due and payable in the Maturity Schedule shown above had no conversion to Term Certificates occurred. The principal amount of the Term Certificates to be redeemed shall be chosen by the Paying Agent/Registrar at random by lot or other customary method. The principal amount of Term Certificates of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Certificates of the same maturity which, at least 45 days prior to a mandatory redemption date (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase or (3) shall have been redeemed pursuant to the optional redemption provisions of the Bond Ordinance and not theretofore credited against a mandatory redemption requirement.

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

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

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

**SOURCE OF PAYMENT . . .** The Certificates constitute direct obligations of the Town, payable from a direct and continuing annual ad valorem tax levied, within the limit prescribed by law, on all taxable property located within the Town and from a limited pledge (not to exceed \$1,000) of the surplus revenues of the Town's water and sewer system.

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

#### **CONDITIONS OF THE SALE**

**TYPE OF BIDS AND INTEREST RATES . . .** The Certificates will be sold in one block on an "All or None" basis, and at a price not less than ~~\_\_\_\_\_%~~**103.85%** and not more than ~~\_\_\_\_\_%~~**110.00%** of par value. Bidders are invited to name the rate(s) of interest to be borne by the Certificates, 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 ~~2.5%~~**5%** in rate. No coupon rate greater than 5% will be accepted. **For Certificates having stated maturities on and after February 15, 2035, no reoffering yield producing a dollar price less than 987.950 for any individual maturity will be accepted. The high 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 rates or changes which may be used. All Certificates of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered. Each bidder shall state in the bid the total interest cost in dollars and the net effective interest rate determined thereby (calculated in the manner prescribed by Chapter 1204, Texas Government Code), which shall be considered informative only and not as a part of the bid. In the event of a bidder's error in interest cost rate calculations, the interest rates set forth in the Official Bid Form will be considered as the intended bid. Also see "THE CERTIFICATES – ADJUSTMENT OF PRINCIPAL AMOUNTS AND/OR TYPES OF BIDS" herein.

The Purchaser (defined below) must provide the initial reoffering prices to the Financial Advisor by 11:00 AM, CDT, or within 30 minutes of being notified of winning bid on the sale date. Such offering prices and yields, among other things, will be used by the Financial Advisor to calculate the final principal amount of each maturity of the Certificates and the cash premium for the Certificates. It is anticipated that the final principal amount of each maturity of the Certificates and the final cash premium amount will not change the principal amount of any maturity of the Certificates from the amount bid by more than 25 percent of the preliminary amount of such maturity (rounded up to the next higher integral of \$5,000) without permission of the successful bidder. The bid price bid by the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the Certificates.

**BASIS FOR AWARD . . .** Subject to the Town's right to reject any or all bids and to waive irregularities except for time of filing, the sale of the Certificates will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the Town. The True Interest Cost rate is that rate which, when used to compute the total present value as of the Delivery Date of all debt service payments on the Certificates on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Certificates plus any premium bid. In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium, if any, set forth in the Official Bid Form will be considered as the official bid.

**GOOD FAITH DEPOSIT** . . . A Good Faith Deposit, payable to the "Town of Addison, Texas", in the amount of ~~\$214,000.00~~**208,400.00** is required. Such Good Faith Deposit shall be a bank cashier's check or certified check, which is to be retained uncashed by the Town pending the Purchaser's compliance with the terms of the bid and the Notice of Sale and Bidding Instructions. The Good Faith Deposit may accompany the Official Bid Form or it may be submitted separately. If submitted separately, it shall be made available to the Town prior to the opening of the bids, and shall be accompanied by instructions from the bank on which drawn which authorize its use as a Good Faith Deposit by the Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Purchaser will be returned to the Purchaser upon payment for the Certificates.** No interest will be allowed on the Good Faith Deposit. In the event the Purchaser should fail or refuse to take up and pay for the Certificates in accordance with the bid, then said check shall be cashed and accepted by the Town 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 Certificates has been made.

In order to provide the Town with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Purchaser will be required to provide the Town with a breakdown of its "underwriting spread" among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

**PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 ("TEC FORM 1295") AND CERTIFICATION OF FILING BY WINNING BIDDERS** . . . Pursuant to Texas Government Code, Section 2252.908 (the "Interested Party Disclosure Act"), unless the Purchaser is exempt from the filing requirements of Section 2252.908, the Town may not award the Certificates to the Purchaser unless the Purchaser submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the Town as prescribed by the Texas Ethics Commission ("TEC"). Publicly traded business entities (including wholly owned subsidiaries of a publicly traded business entity) are not required to file Form 1295 as provided in Section 2252.908(c)(4). Prior to entering into a purchase agreement with the Purchaser, the Purchaser and each syndicate member listed on the Official Bid Form must either (1) complete an electronic form of the TEC Form 1295 through the TEC's electronic portal and submit the resulting certified TEC Form 1295 that is generated by the TEC's electronic portal to the Town or (2) submit a written representation that it is exempt from the TEC Form 1295 filing requirements pursuant to Section 2252.908(c)(4). The failure to provide the TEC Form 1295 or written representation regarding exemption, as described herein, will prohibit the Town from awarding the Certificates to the Purchaser.

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

If the Purchaser is submitting a Disclosure Form, the form can be found at <https://www.ethics.state.tx.us/forms/1295.pdf>, and reference should be made to the following information in order to complete it: (a) item 2 – Name ("Town of Addison, Texas"), (b) item 3 – the identification number ("\_\_\_\_\_"), and (c) item 3 – description of the goods or services assigned to this contract by the Town ("Purchase of Certificates"). If completing the Disclosure Form, the Purchaser must (i) complete the Disclosure Form electronically at the TEC's "electronic portal", and (ii) print, sign and deliver a copy of the Disclosure Form that is generated by the TEC's "electronic portal" to the Town by email to Steven Glickman at [sglickman@addisontx.gov](mailto:sglickman@addisontx.gov) and the Town's financial advisor at [nick.bulaich@hilltopsecurities.com](mailto:nick.bulaich@hilltopsecurities.com). Neither the Town 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 Certificates should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the Town that its bid is the apparent winning bid.

Time will be of the essence in submitting the completed Disclosure Form or written representation regarding the exemption from the filing requirements to the Town and no bid will be accepted by the Town unless a completed Disclosure Form or written representation regarding the exemption is received on time.

Neither the Town nor its consultants have the ability to verify the information included in a Disclosure Form or written representation, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form or the written representation. Consequently, an entity intending to bid on the Certificates should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form or written representation promptly upon notification from the Town that its bid is the conditional winning bid.

**VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS** . . . By submission of a bid for the Certificates, each bidder makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code (the "Government Code"), as heretofore amended (the "Covered Verification"). As used herein, "affiliate" means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. If the bidder's bid is accepted, then liability for breach of any Covered Verification during the term of the contract for purchase and sale of the Certificates created thereby (the "Agreement") shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the bid or this Notice of Sale, notwithstanding anything herein or therein to the contrary.

**Not a Sanctioned Company** . . . Each bidder represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153, Government Code, or Section 2270.0201, Government Code. The foregoing representation excludes the bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the

United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

**No Boycott of Israel** . . . Each bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, if its bid is accepted, will not boycott Israel during the term of the Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

**No Discrimination Against Firearm Entities** . . . Each bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and, if its bid is accepted, will not discriminate against a firearm entity or firearm trade association during the term of the Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

**No Boycott of Energy Companies** . . . Each bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, if its bid is accepted, will not boycott energy companies during the term of the Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

**REPRESENTATION REGARDING TEXAS ATTORNEY GENERAL STANDING LETTER AND BRINGDOWN VERIFICATION** . . . By submission of a bid for the Certificates, each bidder represents and verifies that it is aware of the Office of the Texas Attorney General's (the "Texas Attorney General") All Bond Counsel Letter, dated November 1, 2023, that is available on the website of the Texas Office of the Texas Attorney General using the following link: (<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-01-2023.pdf>) and the Texas Attorney General's supplemental All Bond Counsel Letter, dated November 16, 2023, that is available on the website of the Texas Attorney General using the following link: (<https://texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-06-2023.pdf>). Each bidder represents and verifies that the bidder has (i) on file a standing letter ("Standing Letter") acceptable to the Texas Attorney General addressing the representations and verifications described under the heading "VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS," and (ii) will, upon request of the Town or Bond Counsel on behalf of the Town, provide the Town and Bond Counsel with a copy of its Standing Letter. Each bidder further represents and verifies that its Standing Letter remains in effect as of the date of the Agreement and that the Texas Attorney General has not notified the bidder that a determination has been made that the bidder boycotts energy companies or has a policy that discriminates against firearm entities or firearm trade associations under the laws of the State of Texas. Upon request of the Town or Bond Counsel on the Town's behalf, each bidder shall provide additional written certifications to the Town and Bond Counsel (which may be by email) to the effect that the Texas Attorney General may continue to rely on the Standing Letter and the statutory representations and covenants contained in the Agreement through the closing date (currently scheduled for June 18, 2024) (the "Bringdown Verification"). The Town reserves the right, and each bidder hereby expressly authorizes the Town, to provide such Bringdown Verification to the Texas Attorney General.

**IMPACT OF BIDDING SYNDICATE ON AWARD** . . . For purposes of contracting for the sale of the Certificates, the entity signing the Official Bid Form as bidder shall be solely responsible for the payment of the purchase price of the Certificates. The bidder may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the City is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

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

**CUSIP NUMBERS** . . . It is anticipated that CUSIP identification numbers will appear on the Certificates, but neither the failure to print or type such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for the Certificates 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 Certificates shall be paid by the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser and the Purchaser will be responsible for obtaining CUSIPs.

**DELIVERY OF CERTIFICATES** . . . Initial Delivery will be accomplished by the issuance of one Initial Bond (also called the "Bond" or "Certificates"), either in typed or printed form, in the aggregate principal amount of ~~\$10,700,000~~\*10,420,000\*, payable in stated installments to the Initial Purchaser or its designee, signed by the Mayor and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts. Upon delivery of the Initial Bond, it shall be immediately cancelled and one definitive Bond for each maturity will be registered and delivered only to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only System. Delivery will be at the corporate trust office of the Paying Agent/Registrar. Payment for the Certificates must be made in immediately available funds for unconditional credit to the Town, or as otherwise directed by the Town. The Initial Purchaser will be given six business days' notice of the time fixed for delivery of the Certificates. It is anticipated that delivery of the Certificates can be made on or about October 9, 2024, and it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the Certificates by 10:00 AM, CDT, on October 9, 2024, or thereafter on the date the Certificates are tendered for delivery, up to and including October 23, 2024. If for any reason the Town is unable to make delivery on or before October 23, 2024, the Town shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (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 Town and the Initial Purchaser shall be relieved of any further obligation. In no event shall the Town be liable for any damages by reason of its failure to deliver the Certificates.

\* Preliminary, subject to change. See "The Certificates – Adjustment of Principal Amounts and/or Types of Bids."

**CONDITIONS TO DELIVERY . . .** The obligation of the Initial Purchaser to take up and pay for the Certificates is subject to the Initial Purchaser's receipt of (a) the legal opinion of Bracewell LLP, Dallas, Texas, Bond Counsel for the Town ("Bond Counsel"), and (b) the no-litigation certificate.

**ESTABLISHING THE INITIAL OFFERING PRICE FOR THE CERTIFICATES . . .** In order to provide the Town with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code") , relating to the exclusion of interest on the Certificates from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Town or to HilltopSecurities, a certification as to the Certificates "issue price" (the "Issue Price Certificate") substantially in one of the forms and to the effect attached hereto or accompanying this Notice of Sale. In the event the winning bidder will not reoffer any maturity of the Certificates for sale to the Public (as defined herein) by the delivery date of the Certificates, the Issue Price Certificate may be modified in a manner approved by the Town and Bond Counsel. Each bidder, by submitting its bid, agrees to complete, execute, and timely deliver the Issue Price Certificate, if its bid is accepted by the Town. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts as are necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

**DEFINED TERMS:** For purposes of this section of this Notice of Sale:

- (i) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the Town (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public).
- (iii) "Related Party" means any two or more persons who are subject, directly or indirectly, to (i) at least 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 interest by one entity of the other).
- (iv) "Sale Date" means the date that the Certificates are awarded by the Town to the winning bidder.

All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Certificates may be taken on behalf of the Town by HilltopSecurities and any notice or report to be provided to the Town may be provided to HilltopSecurities.

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

**THREE BID REQUIREMENT:** The Town intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) for purposes of establishing the issue price of municipal Certificates, which requires, among other things, that the Town receives bids from at least three underwriters of municipal Certificates who have established industry reputations for underwriting new issuances of municipal Certificates (the "Three Bid Requirement"). In the event that the Three Bid Requirement is not satisfied, Treasury Regulations permit the issue price for any maturity of the Certificates to be determined based upon either (i) the first price at which 10% of such maturity is sold to the Public (the "10% Test") or (ii) if the requirements of the "Hold-the-Offering-Price Rule" described below are met, the initial offering price to the Public as of the Sale Date. For purposes hereof, if different interest rates apply within a maturity, each separate CUSIP number will be treated separately.

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

**HOLD-THE-OFFERING-PRICE RULE:** If the "Hold-the-Offering-Price Rule" is applied to any maturity of the Certificates (each, a "Held Maturity"), the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Certificates, that each Underwriter will neither offer nor sell any Held Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have satisfied the 10% Test with respect to that Held Maturity at a price that

is no higher than the initial offering price to the Public.

The winning bidder shall promptly advise the Town when the Underwriters have satisfied the 10% Test with respect to each Held Maturity at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth business day after the Sale Date. On or after the sixth business day after the Sale Date, if requested by the Town, the winning bidder will confirm that the Underwriters have complied with the Hold-the-Offering-Price-Rule. If at any time the winning bidder becomes aware of any noncompliance by an Underwriter with respect to the Hold-the-Offering Price Rule, the winning bidder will promptly report such noncompliance to the Town.

**ADDITIONAL REQUIREMENTS:** By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Certificates of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Certificates of that maturity or all Certificates of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Certificates to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Certificates of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Certificates of that maturity or all Certificates of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

**LEGAL OPINIONS . . .** The Certificates are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Delivery of and payment for the Certificates is subject to the receipt by the Initial Purchaser of the opinion of Bond Counsel, substantially in the form reproduced in Appendix C to the Official Statement, to the effect that the Certificates are valid and binding obligations of the Town and that the interest on the Certificates will be excludable from gross income for federal income tax purposes under existing law subject to the matters described under "Tax Matters" in the Preliminary Official Statement.

**CERTIFICATION OF OFFICIAL STATEMENT . . .** At the time of payment for and Initial Delivery of the Certificates, the Town will execute and deliver to the Purchaser a certificate as described in the Preliminary Official Statement.

**CHANGE IN TAX EXEMPT STATUS . . .** At any time before the Certificates are tendered for delivery, the Initial Purchaser may withdraw its bid if the interest received by private holders on obligations of the same type and character shall be declared to be includable in gross income under present federal income tax laws, either by ruling of the Internal Revenue Service or by a decision of any Federal court, or shall be declared taxable or be required to be taken into account in computing any federal income taxes, by the terms of any federal income tax law enacted subsequent to the date of this Notice of Sale and Bidding Instructions.

## GENERAL

**FINANCIAL ADVISOR . . .** Hilltop Securities, Inc. is employed as Financial Advisor to the Town in connection with the issuance of the Certificates. The Financial Advisor's fee for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. Hilltop Securities waives the right to submit a bid for the Certificates, either independently or as a member of a syndicate organized to submit a bid for the Certificates. The Financial Advisor has performed a professional review of this Official Statement in accordance with industry standards, and, as part of its responsibilities to the Town and, as applicable, to the investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of the information.

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

**NOT AN OFFER TO SELL . . .** This Notice of Sale and Bidding Instructions does not alone constitute an offer to sell the Certificates, but is merely notice of the sale of the Certificates. The offer to sell the Certificates 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 Certificates.

**ISSUANCE OF ADDITIONAL DEBT . . .** The Town does not anticipate issuing additional general obligation debt in the next 12 months. The Town applied for a loan of up to \$44,600,000 from the State Infrastructure Bank in 2024 for street improvements. The Town's application has made it through staff review and is going before the State Transportation eCommittee for approval in

August 2024. If approved by the State Transportation Committee, the Town anticipates drawing \$15,000,000 from the loan in fiscal year 2024.

**RATINGS** . . . The Certificates and the presently outstanding general obligation debt of the Town are rated "■" by Moody's Investors Service, Inc. ("Moody's") and "■" by S&P Global Ratings, a division of S&P Global Inc. ("S&P"), in each case without regard to credit enhancement (see "Other Information - Ratings").

**THE PRELIMINARY OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12** . . . The Town has prepared the accompanying Preliminary Official Statement and, for the limited purpose of complying with Securities and Exchange Commission 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. Representations made and to be made by the Town 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 Town will furnish to the Initial Purchaser, or Initial Purchasers, within seven (7) business days after the sale date, an aggregate maximum of one hundred (100) copies of the Official Statement (and 100 copies of any addenda, supplement or amendment thereto), together with information regarding interest rates and other terms relating to the reoffering of the Certificates, in accordance with the Rule. The Initial Purchaser may arrange at his own expense to have the Official Statement reproduced and printed if he requires more than 100 copies and may also arrange, at his own expense and responsibility, for completion and perfection of the second or cover page of the Official Statement so as to reflect interest rates and other terms and information related to the reoffering of the Certificates. The Initial Purchaser will be responsible for providing information concerning the Town and the Certificates to subsequent purchasers of the Certificates, and the Town will undertake no responsibility for providing such information other than to make the Official Statement available to the Initial Purchaser as provided herein. The Town's obligation to supplement the Official Statement to correct key representations determined to be materially misleading, after the date of the Official Statement, shall terminate upon initial delivery of the Certificates to the Initial Purchaser, unless the Purchaser notifies, in writing, the Town that less than all of the Certificates have been sold to ultimate customers on or before such date, in which case the obligation will extend for an additional period of time (but not more than 90 days after the sale date) until all of the Certificates have been sold to ultimate customers. The Initial Purchaser shall be responsible for providing in writing the initial reoffering prices and other terms, if any to the Financial Advisor by the close of the next business day after the award. Except as noted above, the Town 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 Certificates.

**COMPLIANCE WITH PRIOR UNDERTAKINGS** . . . During the last five years, the Town believes it has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

**CONTINUING DISCLOSURE AGREEMENT** . . . The Town will agree in the Certificate Ordinance to provide certain periodic information and notices of material 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 Certificates is conditioned upon delivery to the Purchaser or its agent of a certified copy of the Certificate Ordinance 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 Hilltop Securities Inc., 777 Main Street, Suite 1525, Fort Worth, Texas 76102, Financial Advisor to the Town.

On the date of the sale, the Town will, in the Certificate Ordinance authorizing the issuance of the Certificates, confirm its approval of the form and content of the Official Statement, and any addenda, supplement or amendment thereto, and authorize its use in the reoffering of the Certificates by the Initial Purchaser.

August ■, 2024

**OFFICIAL BID FORM**

Honorable Mayor and City Council  
Town of Addison, Texas

September 10, 2024

Honorable Mayor and Members of the City Council:

Reference is made to your Preliminary Official Statement and Notice of Sale and Bidding Instructions, dated August 1, 2024 of ~~\$10,700,000~~\*10,420,000\* TOWN OF ADDISON, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024, both of which constitute a part hereof.

For your legally issued Certificates, as described in said Notice of Sale and Bidding Instructions and Preliminary Official Statement, we will pay you par plus a cash premium of \$ \_\_\_\_\_ for the Certificates 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>
2/15/2024	\$ 435,000	_____	2/15/2031	515,000	_____	2/15/2037	535,000	_____
2/15/2025	380,000	_____	2/15/2032	545,000	_____	2/15/2038	560,000	_____
2/15/2026	405,000	_____	2/15/2033	575,000	_____	2/15/2039	575,000	_____
2/15/2027	425,000	_____	2/15/2034	460,000	_____	2/15/2040	610,000	_____
2/15/2028	450,000	_____	2/15/2035	495,000	_____	2/15/2041	630,000	_____
2/15/2029	470,000	_____	2/15/2036	510,000	_____	2/15/2042	665,000	_____
2/15/2030	495,000	_____				2/15/2043	685,000	_____

Of the principal maturities set forth in the table above, term Certificates have been created as indicated in the following table (which may include multiple term Certificates, one term Certificate or no term Certificates if none is indicated). For those years which have been combined into a term 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 Certificates maturity date shall mature in such year. The term Certificates created are as follows:

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

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

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

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

A bank cashier's check or certified check of the \_\_\_\_\_ (BANK), \_\_\_\_\_, (TX), in the amount of ~~\$214,000.00~~208,400.00, 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.

In accordance with Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), the Town may not award the Certificates to a bidder unless the winning bidder either: (i) submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the Town as prescribed by the Texas Ethics Commission ("TEC"), or (ii) certifies below that it is exempt from filing the Disclosure Form by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

\* Preliminary, subject to change. See "The Certificates – Adjustment of Principal Amounts and/or Types of Bids."

Unless the bidder certifies that it is exempt from filing a Disclosure Form with the Town, upon notification of conditional verbal acceptance, the undersigned will complete an electronic form of the Certificate of Interested Parties Form 1295 (the "Disclosure Form") through the Texas Ethics Commission's (the ("TEC") electronic portal and the resulting certified Disclosure Form that is generated by the TEC's electronic portal will be printed, signed and sent by email to the Town at [sglickman@addisontx.gov](mailto:sglickman@addisontx.gov) and Town's financial advisor at [nick.bulaich@hilltopsecurities.com](mailto:nick.bulaich@hilltopsecurities.com). The undersigned understands that the failure to provide the certified Disclosure Form will prohibit the Town from providing final written award of the enclosed bid.

The Purchaser (mark one): (i) Agrees to timely make a filing of a completed Disclosure Form with the Town [ ] or (ii) Hereby certifies that it is exempt from filing the Disclosure Form by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity [ ]. If the bid is accepted by the Town, this bid shall thereupon become a contract of purchase for the Town under the terms contained in this Official Bid Form and in the Notice of Sale and Bidding Instructions. We hereby acknowledge that we have received and read the Notice of Sale and Bidding Instructions and Preliminary Official Statement referred to above.

The undersigned agrees to complete, execute and delivery to the Town at least six days before the date of delivery of the Certificates, a certificate relating to the "issue price" of the Certificates in the form and to the effect attached to or accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to the Bond Counsel for the Issuer.

We agree to accept delivery of the Certificates utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds in the Corporate Trust Division, BOKF, N.A., not later than 10:00 AM, CDT, on October 9, 2024, or thereafter on the date the Certificates are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Certificates to complete the DTC Eligibility Questionnaire.

All syndicate members listed on the bid form must either submit a Disclosure Form or certify they are exempt from filing the Disclosure Form. Additionally, all syndicate members listed on the bid form (i) must have on file a Standing Letter acceptable to the Texas Attorney General addressing the representations and verifications described under the heading "VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS," (ii) will, upon request of the Town or Bond Counsel on behalf of the Town, provide the Town and Bond Counsel with a copy of its Standing Letter, and (iii) will, upon request of the Town or Bond Counsel on the Town's behalf, provide a Bringdown Verification.

**Through submittal of this executed Official Bid Form, the undersigned makes the Covered Verifications provided in the Notice of Sale and Bidding Instructions under the heading "CONDITIONS OF THE SALE – VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS" and "— REPRESENTATION REGARDING TEXAS ATTORNEY GENERAL STANDING LETTER AND BRINGDOWN VERIFICATION."**

By submitting this bid, the Purchaser understands and agrees that if Purchaser should fail or refuse to take up and pay for the Certificates in accordance with this bid, or it is determined that after the acceptance of this bid by the Town that the Purchaser was found not to satisfy the requirements described in the Official Notice of Sale and Bidding Instructions under the heading "CONDITIONS OF THE SALE" and as a result the Texas Attorney General will not deliver its approving opinion of the Certificates, then the check submitted herewith as the Purchaser's Good Faith Deposit shall be cashed and accepted by the Town. **IF THE TOWN CASHES THE PURCHASER'S GOOD FAITH DEPOSIT AS DESCRIBED ABOVE, SUCH ACTION DOES NOT CONSTITUTE COMPLETE OR LIQUIDATED DAMAGES RELATED TO THE PURCHASER'S BREACH OF ANY OF THE COVERED VERIFICATIONS.**

By submitting this bid, the Purchaser understands and agrees that the liability of the Purchaser for breach of any of ~~the verifications made in connection with Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended and~~ VERIFICATIONS OF STATUTORY REPRESENTATIONS as described above (collectively, the "Covered Verifications") shall survive until barred by the statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Official Bid Form or the Official Notice of Sale. Additionally, the Purchaser acknowledges and agrees that the Town reserves and retains all rights and remedies at law and in equity for pursuit and recovery of damages, if any, relating to the Covered Verifications.

The undersigned agrees to complete, execute, and deliver to the Town, at least six business days prior to delivery of the Certificates, a certificate relating to the "issue price" of the Certificates in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to the Town. The undersigned also agrees to provide the Town and its consultants, at least ten business days prior to the delivery of the Certificates, a breakdown of its "underwriting spread" among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

**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,

made):

Syndicate Members (if listed, representations ~~presents~~ set forth to the Notice of Sale must be

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

\_\_\_\_\_

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

\_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the Town of Addison, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 10th day of September, 2024.

/s/ \_\_\_\_\_

Mayor  
Town of Addison, Texas

## ISSUE PRICE CERTIFICATE

### THREE BID REQUIREMENT SATISFIED

I, the undersigned officer of \_\_\_\_\_ (the "Purchaser"), acting on behalf of itself and any underwriting syndicate, make this certification in connection with the ~~\$10,700,000~~\*\$10,420,000\* Town of Addison, Texas Combination Tax and Revenue Certificates of Obligation, Series 2024 (the "Certificates") issued by the Town of Addison, Texas (the "Town").

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

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

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

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

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

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

(f) Please choose the appropriate statement:

(X) The Purchaser will not purchase bond insurance for the Certificates.

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

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

(b) "Related Party" means any two or more persons who are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(c) "Sale Date" means the first day on which there is a binding contract in writing for the sale or exchange of the Certificates. The Sale Date of the Certificates is September 10, 2024.

\* Preliminary, subject to change. See "The Certificates – Adjustment of Principal Amounts and/or Types of Bids."

(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 Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Certificates 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 Certificates to the Public).

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

EXECUTED as of this \_\_\_\_ day of \_\_\_\_\_, 2024.

Name of Purchaser: \_\_\_\_\_

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

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

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

**ATTACHMENT I TO ISSUE PRICE CERTIFICATE  
COPY OF WINNING BID FORM  
[See Attached]**

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

I, the undersigned officer of \_\_\_\_\_ (the "Purchaser"), acting on behalf of itself and any underwriting syndicate, make this certification in connection with the \$~~10,700,000~~\*10,420,000\* Town of Addison, Texas Combination Tax and Revenue Certificates of Obligation, Series 2024 (the "Certificates") issued by the Town of Addison, Texas (the "Town").

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

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

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

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

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

(e) Please choose the appropriate statement:

The Purchaser will not purchase bond insurance for the Certificates.

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

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

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

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

\* Preliminary, subject to change. See "The Certificates – Adjustment of Principal Amounts and/or Types of Bids."

(c) "Related Party" means any two or more persons who are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(d) "Sale Date" means the first day on which there is a binding contract in writing for the sale or exchange of the Certificates. The Sale Date of the Certificates is September 10, 2024.

(e) "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 Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Certificates 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 Certificates to the Public).

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

EXECUTED as of this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

[NAME OF PURCHASER OR MANAGER OF PURCHASING SYNDICATE]

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

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

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

**ATTACHMENT I TO ISSUE PRICE CERTIFICATE**

**FINAL PRICING WIRE**

[See Attached]